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**NEWS SUMMARY****GENERAL**

**Soviets hint at SALT summit**  
**Equities quiet; Gold at new high**

**BUSINESS**

## OVERSEAS NEWS

### Ullsten tipped as head of new Swedish government

BY OUR FOREIGN STAFF

**SWEDEN'S POLITICAL** leaders began talks yesterday on the formation of a new Government following the resignation of Mr. Thorbjorn Falldin, the Swedish Prime Minister. Mr. Falldin, head of the country's first non-socialist Government in 44 years, quit after failing to reach agreement with his two coalition partners over the nuclear issue.

Mr. Henry Allard, Speaker of the Swedish Riksdag (parliament), discussed the formation of a new Government with the various party leaders but no decision is expected until after the weekend.

Mr. Olaf Palme, leader of the Social Democratic Party and former Prime Minister, was the first person to have talks with Mr. Allard yesterday. But Mr. Ola Ullsten, 47-year-old Foreign Affairs Minister and Vice-President of the outgoing Cabinet, is considered by observers in Stockholm to be the most likely successor to Mr. Falldin.

The Swedish Press has been speculating that Mr. Ullsten might form a coalition with the conservative party led by Mr. Gösta Bohm. It is thought that such a coalition would have the tacit support of Mr. Falldin's Centre Party until general elections are held on September 18 next year.

### Soviet Union pledges more arms to Syria

BY DAVID SATTER

MOSCOW, Oct. 6.

**THE SOVIET UNION** has apparently agreed to increase military aid to Syria following two days of talks between Mr. Hafez Assad, the Syrian President, and top Soviet leaders.

A joint communiqué issued tonight after the conclusion of the meetings said the sides adopted "relevant decisions" after discussion of further Soviet assistance to Syria in strengthening its defence potential.

The Soviet news agency Tass earlier today said that the Soviet Union pledged itself to give further support to Syria and other Arab states opposed to the Camp David accords—and it was widely assumed this support would take the form of military aid.

The Soviets and Syrians condemned Israel for interference in Lebanon, and ongoing attempts to increase tension and provoke a split in the Lebanese state.

The joint communiqué also called for the consolidation of Lebanese Government authority

WASHINGTON, Oct. 6.

**THE UNEMPLOYMENT** rate in America edged up from 5.9 per cent to 6 per cent in September, but the number of adult women with jobs increased sharply, the US Labour Department announced.

Adult male unemployment declined to 4 per cent in September from 4.1 per cent both August and July. The rate for women declined to 6 per cent from 6.1 per cent in August and 6.5 per cent in July. Thus, the unemployment situation has improved. The administration expects a 6.7 per cent joblessness rate in the last three months of 1978.

• Reuter adds: The Senate report indicated that the jobless rate is stabilising at the Roth tax cut proposal to slash income-tax rates by 33 per cent over three years.

**"Investing today just isn't worthwhile. It's too risky. And even if you gain, the tax man takes most of it."**

If that is the way you feel, maybe you should turn to Providence Capitol's major announcement in the business pages of this paper.



### THE LEBANON

### UN Security Council in bid to end bloodshed

UNITED NATIONS, Oct. 6.

AS FIERCE fighting between Syrian troops and Christian militias spread in Beirut, the United Nations Security Council tonight agreed to meet and consider proposals for ending the heaviest bloodshed in Lebanon since the 1975 civil war.

A UN spokesman said the debate was expected to begin tonight and members would meanwhile hold further private consultations on a draft resolution.

The UN action followed closely an announcement by the US State Department in Washington that President Carter had personally contacted Soviet President Leonid Brezhnev and other world leaders urging them to back international efforts to stop the fighting.

Earlier, a UN spokesman in Geneva said Prince Sadruddin Aga Khan, the United Nations special emissary to Lebanon, would fly to the Middle East tomorrow to try to halt the increasingly vicious conflict.

Our Foreign Staff adds: The Christian forces in East Beirut yesterday appeared almost completely cut off by Syrian troops following the failure of persistent assaults by the Christian militias to regain control of the key Qanaqir bridges, using Sherman tanks. The bridges link the Christian-held area of the capital with the main Maronite area of Lebanon.

The bridges are vital to the port of Jounieh where Christian communications to Israel-supplied armaments are landed. A communiqué issued by the Syrian-dominated Arab peace-keeping force said yesterday that two Super-Shermans were destroyed and the rest driven back. The Christians are believed to have received 12 Super-Shermans from Israel.

Reports in the left-wing press in the capital yesterday suggested that Syrian troops had broken the back of the Christian military organisation after five days of shelling, but the militias are likely to keep up resistance in the hope of provoking international or Israeli intervention.

The Christian forces would be able to inflict heavy casualties on Syrian infantry if a major assault were launched on the narrow, and now largely ruined, streets of the Christian eastern quarter of Beirut. But to affect the outcome of the fighting the Israelis would have markedly to step up their supplies of heavy weapons to the Christian forces.

The Israeli naval attack on the Palestinian naval base in west Beirut has momentarily raised Christian morale, but without major intervention its effect will be largely cosmetic. Ostensibly designed as retaliation for the fatal attempt to bomb Elat in the Gulf of Aqaba last week, it is being interpreted as a warning to the Syrians of Jerusalem's continued support of the prolonged assault on the Christian areas in the Lebanese capital.

The choice of a fatigued base so close to Beirut's battle lines was intended to emphasise to the Syrians Israel's freedom of movement in the area, and possibly to relieve some of the pressure on the Christian supply lines, running north from Beirut to Jounieh. During a previous round of fighting in July, Israeli fighters delivered a similar warning by overflying the capital.

It is now emphasised in the press that it would not allow the destruction of the Christian militias by the 30,000 Syrian troops in Lebanon, but Mr. Moshe Dayan, the Foreign Minister, had previously only criticised the Syrians for acting "very negatively." The raid will meet some of the criticism within Israel that Jerusalem's reaction to the sustained bombardment of East Beirut and surrounding towns has been too

cautious.

With the constitution now over all the main hurdles, however, the government now seems to feel more sanguine, arguing that the Basque politicians have made their point

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## HOME NEWS

# Boom year ahead for graduates in job market

BY COLLEEN TOOMEY

NEXT YEAR should be a "boom year" for Britain's 80,000 university graduates, it was claimed yesterday. Against a national unemployment rate of 14m. job openings are expected to rise by at least 10 per cent for graduates, making them the "employable elite" of Britain, according to Mr. Tim Cornford, group manager of Haymarket Publishing, which launched its Directory of Opportunities for Graduates yesterday.

The biggest demand comes from the engineering sector. Of the 540 companies listed in the graduates' job guide, 206 are looking for electronic engineers, nearly 150 want mechanical engineers and 112 graduates' scientific, technical or technological skills make them not only in high demand but virtually irreplaceable in many areas of the manufacturing industry," Mr. Cornford said.

At least 80 per cent of graduates will find jobs in the industry or the Civil Service next year. About 20 per cent will continue their education through one of more than 3,000 post-graduate specialist and vocational courses while only about 2 or 3 per cent will fail to get work.

Directory of Opportunities for Graduates '79 Employers.

# Leading Tories launch onslaught

BY RUPERT CORNWELL

LEADING TORIES LAST night launched a co-ordinated onslaught on the Labour conference, which ended yesterday.

They left no doubt that the Conservatives will seek to make as much electoral capital as possible out of the drift to the Left of the National Executive.

Mr. Francis Pym, the shadow Leader of the Commons, said in a statement that with its antics, the conference had "mocked the despising loyalties and reluctant votes" of millions of Labour supporters.

Outwardly, the party might be appealing and reassuring, but the week in Blackpool had performed the essential task of letting the light fall on the shambles behind the facade," Mr. Pym said.

The rumbustious atmosphere of Labour's gathering is likely to contrast with the Tory conference which opens in Brighton on Tuesday. This will, if its managers have their way, be bland and sanitised — despite rumblings of serious dissent on the issue of capital punishment.

### Rejected

The Government's pay policy in particular, and its economic policy in general, have been rejected by the alliance of unions and the Left. The executive elections, meanwhile, said Mr. Pym, had seen the success of three Left-wingers and the defeat of two moderates.

"The only Left-winger to fall — Mr. Mikardo — was ousted simply because he was not Left enough on the issue of automatic re-selection of MPs."

He predicted a fresh spate of attempts to unseat moderate Labour MPs, despite the compromise controversially adopted at Blackpool.

Mr. Gostling, who was speak-

# Contractors abroad 'need strong home market'

BY MICHAEL CASSELL, BUILDING CORRESPONDENT

BRITISH CONTRACTORS have doubled the value of their overseas work since the start of the 1970s but their future success is threatened by "domestic constraints" and a market underpinned by a stable level of work. Without it, the Federation of Building Trades Employers, warned yesterday, the skills required.

# UK industry 'mismanages stock'

BY PAUL TAYLOR

BRITISH INDUSTRY was wasting the chance to finance new capital expenditure because of "stock mismanagement," said Mr. E. B. Mervyn Grubb in his major industrial nations, he said, underperforming by up to 40 per cent compared with Japan and West Germany. In 1976 the total value of stocks in UK industry and commerce was over £40bn at 1976 prices. The UK has a "desirous" attitude to unseat moderate Labour MPs, despite the promise controversially adopted at Blackpool.

Mr. Grubb, chairman of the Guest, Keen and Nettlefolds wholesaling arm, GRK Distributors, told the institute's annual conference at Stratford upon Avon yesterday that industry should finance investment by releasing cash tied up in finished stocks and work in progress.

He described stocks held by companies as the "untapped mine of wealth" and suggested that management, Government and educationalists should turn their attention to efficient stock delivery performance; and in management through examining inventory mismanagement.

He said there was a failure to understand the need for training in stock management, while in other countries like the U.S. the subject had received growing attention.

Scientific inventory control aimed to achieve the optimum balance between customer and company, but he warned that even this would fail unless management established a firm and published policy on stocks.

In addition to the wasted capital tied up in stock financing stock storage was costly. Greater mechanisation of materials handling could save up to £90m a year in the UK.

The cash for investment is ours for the taking if we manage to prise it from the clutches of stock hoarders and stock mismanagers," said Mr. Grubb.

# F.T.-ACTUARIES SHARE INDICES

## QUARTERLY VALUATION

The market capitalisation of the sub-sections of the F.T.-Actuaries shares indices as at September 29, 1978, expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for the two preceding quarters.

	Market capitalisation Sept. 29, 1978 (£m.)	% All share index	Market capitalisation as at June 30, 1978 (£m.)	% All share index	Market capitalisation as at March 31, 1978 (£m.)	% All share index
1 CAPITAL GOODS GROUP (171)	8,924.5	16.43	8,581.7	15.35	8,182.9	15.08
2 Building Materials (27)	1,707.0	3.23	1,511.1	2.70	1,449.3	2.67
3 Contracting and Construction (28)	1,006.5	1.87	864.4	1.55	807.3	1.49
4 Electricals (14) .....	2,690.9	4.93	2,229.9	3.98	2,108.8	3.88
5 Engineering Contractors (14) .....	563.7	0.93	472.0	0.85	434.4	0.80
6 Mechanical Engineering (73) .....	2,783.0	4.61	2,416.5	4.32	2,274.6	4.19
7 Metals and Metal Forming (16) .....	1,173.4	1.94	1,086.9	1.93	1,109.0	2.03
8 CONSUMER GOODS (DURABLE) GROUP (53)	3,804.5	6.54	2,498.4	4.67	2,399.5	4.42
9 Lit. Electronics, Radio and TV (16)	1,613.1	2.67	1,388.0	2.45	1,340.9	2.47
10 Household Goods (12) .....	222.5	0.37	208.7	0.37	204.8	0.38
11 Motors and Distributors (28) .....	956.9	1.60	921.7	1.65	884.1	1.57
12 CONSUMER GOODS (NON-DURABLE) GROUP (172)	15,371.4	27.10	15,458.5	27.67	16,145.5	27.92
13 Breweries (14) .....	1,784.4	2.87	1,632.0	2.92	1,644.3	3.04
14 Wines and Spirits (6) .....	856.4	1.42	774.2	1.39	777.8	1.43
15 Entertainment and Catering (17)	1,318.8	2.18	1,239.2	2.22	1,220.8	2.28
16 Food Manufacturing (19) .....	2,601.4	4.31	2,458.1	4.39	2,338.9	4.32
17 Food Retailing (15) .....	1,087.2	1.80	946.8	1.69	887.7	1.64
18 Newspapers, Publishing (12) .....	243.7	0.40	269.7	1.02	494.8	0.91
19 Packaging and Paper (15) .....	955.4	1.58	867.6	1.55	882.6	1.53
20 Stores (40) .....	4,688.7	7.75	4,200.9	7.52	4,239.1	7.68
21 Textiles (26) .....	1,021.8	1.69	944.4	1.69	935.4	1.73
22 Tobacco (3) .....	1,785.2	2.92	1,738.0	5.11	1,591.1	2.93
23 Toys and Games (6) .....	102.2	0.17	95.7	0.17	87.4	0.16
24 OTHER GROUPS (98) .....	9,662.2	15.99	8,959.1	16.03	8,507.1	15.69
25 Chemicals (18) .....	3,211.0	5.31	3,182.9	5.70	2,928.1	5.40
26 Pharmaceutical Products (7) .....	2,081.8	3.45	1,942.2	3.30	1,782.0	3.28
27 Office Equipment (6) .....	637.5	1.05	604.2	1.06	598.6	1.09
28 Shipping (10) .....	587.0	0.97	588.5	1.02	595.5	1.08
29 Miscellaneous (57) .....	1,144.8	5.21	2,211.8	2,161.9	2,161.9	4.85
30 INDUSTRIAL GROUP (495) .....	38,166.6	64.12	35,497.5	36,233.3	35,115.2	63.24
31 Oils (5) .....	6,672.8	11.08	6,395.1	11.45	6,027.9	11.12
32 500 SHARE INDEX .....	45,834.9	78.21	41,892.6	74.99	40,261.2	74.25
33 FINANCIAL GROUP (100) .....	9,607.9	15.90	9,075.1	16.24	9,465.2	17.46
34 Banks (6) .....	1,971.1	4.26	2,464.2	4.30	2,569.5	4.74
35 Discount Houses (10) .....	126.5	0.21	125.5	0.23	120.1	0.22
36 Hire Purchase (5) .....	206.4	0.34	185.1	0.33	196.7	0.36
37 Insurance (Life) (10) .....	985.5	1.63	932.8	1.71	1,026.3	1.89
38 Insurance (Composite) (7) .....	3,388.3	5.85	2,596.2	4.11	2,459.5	4.54
39 Insurance (Brokers) (10) .....	607.1	1.34	767.5	1.37	772.0	1.42
40 Merchant Banks (14) .....	394.5	0.65	804.2	0.65	561.0	1.23
41 Property (31) .....	1,782.1	2.95	1,637.5	2.76	1,570.3	2.80
42 Miscellaneous (7) .....	405.8	0.67	391.9	0.70	389.8	0.72
43 Investment Trusts (50) .....	2,832.7	4.67	2,648.8	4.74	2,322.9	4.41
44 Mining Finance (4) .....	1,148.7	1.90	1,042.6	1.87	1,006.4	1.86
45 Overseas Traders (19) .....	1,399.8	2.52	1,206.2	2.16	1,097.2	2.02
46 ALL-SHARE INDEX (673) .....	80,415.0	100	55,885.5	100	54,222.0	100

## PHILIP RAWSTORNE ON THE LAST DAY OF THE BLACKPOOL CONFERENCE

# Labour divisions 'an election danger'

THE LABOUR Conference ended at Blackpool yesterday with warnings that party divisions could endanger its chances of victory in the general election.

Mr. Ron Hayward, general secretary, appealing for unity in the run-up to the election campaign said: "We would be twice as strong if we had not got so many little caucus groups inside.

On both wings of the party, however, yesterday, some of the week's differences still echoed bitterly.

"No-one should believe that members of the Campaign for a Labour Victory, said in a conference newsletter: "No Labour Party member leaving this conference should underestimate the damage which it has done to our chances of winning the next election."

The group called on party members to back the Government.

The group said that the members to follow the "true path of Socialism" in the election of Tribune members to the executive.

The depose of Mr. Ian Mikardo, the veteran Left-winger, should serve as a warning to any executive member who allowed himself to be used in future to resist the demands of Opposition.

Some executive members had set their sights on the top job of the week's decisions, including rank and file demands rather than that of the semi-Tory leadership.

The conference had resisted intimidation, it said. Only "political treachery" had robbed it of a decision in favour of automatic reselection of Labour MPs.

The Left-wingers said that the conference showed its determination to follow the "true path of Socialism" in the election of Tribune members to the executive.

Left-wingers, in a rival meeting, claimed that the NEC had reflected rank and file demands rather than that of the semi-Tory leadership.

At the end, delegates overwhelmingly endorsed an executive statement calling on all members of the movement to resist the nationalisation of those steel companies still operating in the private sector.

Mr. Alan Hadden, for the NEC, refused to accept a resolution which demanded full pay for all redundant steel workers until they were found acceptable alternative jobs with the same wages and conditions. "This is a little bit cloud nine," he said.

He promised that the talks with Mr. Eric Varley, Industry Secretary, and Mr. Albert Booth, Employment Secretary, would cover other proposals in the resolution to the NEC.

A LAST-MINUTE attempt to get another vote against European monetary union as part of wider motion on the EEC, was narrowly failed yesterday at an unprecedented meeting of Labour's national executive committee.

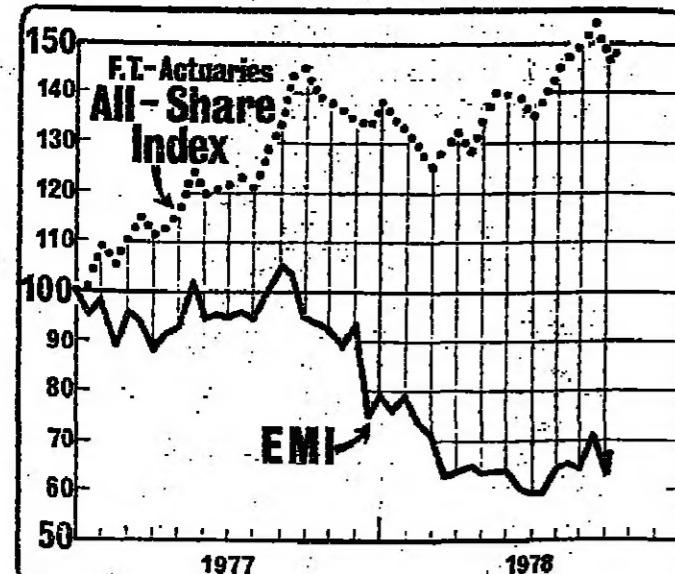
That anti-Marketeers were able to muster enough support for such a meeting is a measure of the deep passions still aroused by Europe among members of the party's governing body.

Earlier in the week, the committee's support for the European monetary system.

The man, Mr. George Meres, said he stood to lose up to £2,000 a week paid for operating industrial hours, and there was agreement to force him to accept a jobs switch.

The man, Mr. George Meres, said he stood to lose up to £2,000 a week paid for operating industrial hours, and there was agreement to force him to accept

## THE WEEK IN THE MARKETS



## Ticking over

A NET GAIN in the Dow Jones revealed that he had not changed his mind since the end points by Thursday's close is of July, when he first issued a not exactly inconsequential, if prediction that interest rates fact it is something of an might peak by the end of the achievement given the general year. Why the Chairman of the uninspiring news hacketh U.S. Central Bank should want against which the market has to stick his neck out on the sub been operating. Yet at the moment on Wall Street there is no sense that the market is see any ceiling on interest rates going anywhere in the short is unclear until it is remembered that President Carter waiting for something to bring the world into focus.

Monday's volume was a mere 18.7m shares, the lowest since July 3, the day before Independence Day. A Jewish holiday may and a key baseball game between the New York Yankees and the Boston Red Sox was held responsible but one doubt whether the present listless mood would have sparked much

NEW YORK  
JOHN WYLES

heavier trading in the absence of these distractions.

In fact, Thursday's session was the tenth consecutive day of trading below a 30m share volume and for the moment the institutions have geared down their activities. Many investment managers appear to accept the technical view that the market is broadly robust and this could be the reason for the apparent deaf ear to some dispiriting news on the inflation front.

The Council on Wage and Price Stability, for example, produced a pessimistic report on Wednesday which confirmed the somewhat obvious fact that inflation this year "will show a clear acceleration" from the rate of the past two years. According to the report the annual rate of price increases has now risen from 6 per cent to more than 7 per cent which is the clearest indication that the President's existing anti-inflation programme is not working.

The Council's report contrasted oddly with some curious remarks made on Tuesday by Mr. William Miller, the Chairman of the Federal Reserve Board. In a speech delivered in New York Mr. Miller following a court order.

	Close	Change
Monday	871.35	+5.54
Tuesday	867.90	-3.46
Wednesday	873.95	+6.06
Thursday	876.47	+2.51
Friday	880.02	+3.55

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## Blackpool calls the tune

Events at the Labour Party tent, the company felt confident enough about prospects for the day the shares had risen 13p headlines this week—and left current year to maintain gross to the stock market unimpressed dividends at 14p a share. Prices have bobbed up and down in the wake of the waves news of a possible scanner from Blackpool, but there has been very little real activity. At the close last night, the FT 30-Share Index was just a fraction higher over the week. Gilts, too, went nowhere.

#### Scanner losses

Following the earlier warnings from EMI, Thursday's news that pre-tax profits were down from £64.7m to £26m was no worse than the pessimists had expected. Just as im-

portant could mean a retrospective payment and a future income flow

with a U.S. competitor Ohio-

Nuclear (which is currently under offer from Johnson and

#### LONDON ONLOOKER

tribution centre and a factory shares 6p higher to 65p on the holders will come later. That news is whether to press ahead with

Profits in 1976-77 had a re-quotation of the shares, or bounded back due to the summer drought which hit over offer. On its own, it is vegetable crops. Frozen foods hard to see what the company were in demand and Bejam enjoyed both a good rise in volume and a sharp increase in selling prices. Profits jumped by 77 per cent to £4.8m.

Elsewhere within the group the picture was rosier with the leisure side well ahead and Thames Television contributing a little more than last year. Bejam goes cold

Bejam's growth image has taken a knock following the 8 per cent drop in 1977-78 profits. But the market has not given up on Bejam yet, and forecasts of £13.2m in the year compared with profits of £14.7m the year before. This shortfall was largely due to the collapse of the U.S. market for scanners resulting from cut-backs in government spending. Royalty income would not totally offset the losses but it could reduce the impact somewhat.

Profits from music operations were halved to £18.8m. Heavy start-up costs on a French dis-

tribution centre and a factory shares 6p higher to 65p on the holders will come later. That news is whether to press ahead with

However vegetable sales are rising—turnover is up 20 per cent so far—and freezer sales are recovering. New stores are also being opened at a faster rate. The outlook may be better but analysts find it hard to justify buying the shares on a fully taxed prospective p/e

of 12.

#### Sime Darby change

The Sime Darby Board's decision to remove Turquand, Youngs and Co., as the group auditors is surrounded in mystery. The official reason is that Turquand is not as diversified as the mated replacement, Price Waterhouse, in terms of its international coverage, particularly in North America and West Asia. But Turquand says that this is just an excuse and the real reason must lie elsewhere. Turquand itself does not know the reason or else is not saying.

Outside speculation centres on the internal politics of Sime Darby which has seen two Board reshuffles since Mr. Pinder, a former chairman, was found guilty of misuse of company funds three years ago.

Turquand will circularise shareholders, appealing to them to override the Board at the AGM on November 17. But Sime showed earlier this year that it can resist pressure when it refused a demand by the Kuala Lumpur stock exchange to reveal the purpose of £10m of new bank loans. Turquand can expect the same response.

#### Dollar Land settles

Hugh Brackett, chairman of Dollar Land Holdings, and his board have put their directorships on the line over the proposals hammered out with the Atlas group for settlement of their ten year old legal battle. On October 27 shareholders of this unhappy company, locked in by share suspension since 1968, can vote for acceptance of the proposals, or start looking for a new board of directors. It is not real choice for the board, advised by Samuel Montagu, proposes a single U.S.\$890,000 (£453,000) paper transfer in full settlement of Atlas's £2m legal claims leaving Dollar Land as a clear, near cash shell company worth 8p a share.

The real choice facing share-

#### MARKET HIGHLIGHTS OF THE WEEK

	Price Y/day	Change on Week	1978 High	1978 Low	
Ind. Ord. Index	503.0	+2.4	535.5	433.4	Pay compromise hopes
Anal. Distilled Prods.	32	+6	46	26	Revived speculative demand
Anglo American Corp.	376	+36	378	246	American buying
Associated Fisheries	50	+8	71	39	Revived speculative demand
Avon Rubber	193	-15	226	174	Talk of line of shares on offer
Bambergers	79	-9	91	44	Intl. Timber bid terms disappoint
Bambergs Stores	159	+21	159	31	Speculative demand
EMI	160	+17	190	130	U.S. scanner licensing deal
Farnell Electronics	420	+25	430	186	Interim results due Tuesday
FNFC	8	+2	8½	7½	Renewed speculative interest
Higgs & Hill	78	-6	93	72	Disappointing first-half profits
ICL	467	+35	480	206	Press comment/inv. demand
New Incls.	265	+20	282	228	Interim results please
Northgate Expln.	435	+70	465	245	Uranium expln. hopes
Rustenburg Plat.	107	+18	108	70	Firm platinum/good results
Wolstenholme Bronze	265	+25	265	162	Good int. results & scrip issue

#### U.K. INDICES

	Average week to	Sept. 6	Sept. 29	Sept. 22
<b>FINANCIAL TIMES</b>				
Govt. Secs.	69.87	70.08	70.64	
Fixed Interest	71.73	71.94	72.72	
Indus. Ord.	504.7	508.3	525.9	
Gold Mines	170.0	174.0	181.4	
Deals mkt.	4,723	5,128	5,205	

#### FT ACTUARIES

	Capital Gds.	244.68	245.94	254.39
Consumer (Durable)	215.52	215.13	222.2	
Cons. (Non- Durable)	215.73	216.05	222.51	
Ind. Group	229.38	229.70	236.58	
500-Share	252.83	252.89	259.95	
Financial Gp.	164.87	166.44	174.12	
All-Share	230.03	230.40	237.59	
Red. Debs.	57.71	57.61	57.55	

## SAVE & PROSPER SOUTH EAST ASIA GROWTH FUND

For some years it has been recognised that the area bordering the South China Sea and, in particular, countries such as Hong Kong, Singapore, Malaysia, and the Philippines have offered considerable potential for economic growth. Now a number of countries in this area have begun to achieve their potential, and in recent years have shown remarkable growth rates, often twice that of many major industrialised countries.

Annual growth in gross domestic product					
1973	3%	3%	3%	3%	1978*
Hong Kong	+14.2	+2.2	+2.8	+17.0	+11.8
Singapore	+11.2	+5.8	+3.8	+7.1	+8.3
Malaysia	+12.0	+8.4	+2.3	+11.5	+8.0
Philippines	+8.7	+8.3	+5.8	+6.7	+7.0
UK	+7.5	-1.2	-2.0	-3.1	+0.4
USA	+5.4	-1.4	-1.3	+6.0	+2.51
Japan	+10.0	-0.5	+1.4	+5.4	+0.5

Underlying this growth, and giving reason to believe it will continue, are the area's immense richness in natural resources—including tin, rubber, palm oil, timber and oil—it's highly skilled and adaptable work forces and managements, the development of local consumer markets and its strategic position in relation to world trading routes.

Until a few years ago political instability in the area was a major deterrent to investment. But while there is some risk of recurring political disturbances, the political climate, particularly following China's policy of improving relations with its neighbours, now appears more stable.

At the same time, there is now within this area a firm desire, coupled with the ability and the opportunity, to continue developing its potential, so that in the medium term it should take its place among the world's established trading and financial markets.

#### Investment opportunity



## YOUR SAVINGS AND INVESTMENTS 2

Many retired readers are evidently in something of a quandary over how best and most usefully to employ their capital. This page has been put together for them by Adrienne Gleeson.



### Estimating the axman's take

**F**YOU have reached the age of retirement, and have capital which you would like to employ in boosting your income and/or providing you with an emergency reserve, there are two matters, too often overlooked, which you should bear in mind. The first is tax, and the second is inflation. Here we show you how to find out what your top rate of tax ought to be: not until you know that can you make sensible decisions on investing your money. Over on the right we discuss the impact of inflation on your income and your capital, and the steps that you can take to minimise it.

### Bumping up income

**Y**OU are paying tax on your slice of income at anything less than basic rate (33 per cent), what you want is the rate of investment that will pay you a very high income, and will fit before the deduction of tax. That rules out the building society. It also rules out gilt-edged stocks unless you buy them through the National Savings Stock Register (enquire at the Post Office for a leaflet and forms).

It is possible to obtain a very high level of income from gilt-edged stocks: over 12.5 per cent. To do so you will have to buy long-dated stocks (more in 13 years to maturity); and at one month's notice. Put another third into short-to-medium dated gilts, bought through the National Savings Stock Register. And put the rest up and down in a most nervy fashion. If you don't want that much in the way of capital you would do better (not single equities) — too accept a little less income risky. If you're over 70, put buy something due to the middle third into an annuity much earlier: that way you'll lose you have to sell to raise your capital, but get a very high income in the meantime, there's much higher income.



### The two-way stretch

**I**F YOU find that you're paying higher rate tax on quite a modest level of income—and it's quite possible if most of that income comes from investments (see above)—don't try to solve the problem by bumping up your income. It will probably involve you in unnecessary risk, and the greatest beneficiary will be the Inland Revenue. Tackle it from the other end instead: try to cut back on your liability to tax.

Consider whether you can't arrange to take part of that income in the shape of capital gain. Capital gains are liable to tax at only 30 per cent (yes, it's bad enough given that they probably don't even compensate for inflation, but it's better than 48 per cent). If your gains amount to less than £1,000 in a tax year and you are not liable for any tax, and if they're between £1,000 and £5,000 you'll pay at only 15 per cent.

However, it is possible to secure capital gains which are completely free of any liability.



### In retirement: what your tax rate ought to be

Single person aged 65+			Married couple, either partner of which is aged 65+		
Annual income	Rate of tax	Total income (gross)	Annual income	Rate of tax	Total income (gross)
First £1,300	Nil	£1,300	First £2,075	Nil	£2,075
Next 750	25	2,050	Next 750	25	2,325
Next 1,550	33	2,950	Next 1,175	33	4,800
Next 4,725.50	55*	4,422.50	Next 810	55*	4,810
Next 4,827.50	33	9,250	Next 5,265	33	10,975
Next 1,000	40	10,250	Next 1,000	40	11,075
Next 1,000	45	11,250	Next 1,000	45	12,075
Next 1,000	50	12,250	Next 1,000	50	13,075
Next 1,500	55	13,750	Next 1,500	55	14,575
Next 1,500	60	15,250	Next 1,500	60	16,075
Next 2,000	65	17,250	Next 2,000	65	18,075
Next 2,500	70	19,750	Next 2,500	70	20,575
Next 5,500	75	25,250	Next 55,00	75	26,075
Remainder	83		Remainder	83	

\*Because of reduction in age allowance—see text.

(ie your pension), but from your investments, then you're going to find yourself paying the investment income surcharge as well. As soon as income from your investments tops £2,500 per annum, you'll have to add 10 per cent to whatever your normal tax rate is at that point. As soon as it tops £3,000 you'll have to add 15 per cent.

So if, apart from the State pension, all your income comes from your investments,

you're going to end up paying tax at 70 per cent on that slice between £3,000 and £4,422.50 (if you're single), and at 48 per cent even when you've emerged from the "shadow" caused by withdrawal of the age allowance. For someone living on what is, these days, a relatively modest income, tax of this order is a serious problem. It's certainly a problem you should identify, so you can do something about it.

likely to decline in value, anyway. There's no certainty that an investment in gold, for instance (or an investment in any other "inflation hedge") will increase in value at all, never mind by enough to compensate for the effects of rising prices; and if you simply put it under the mattress you will undoubtedly have to watch your purchasing power being whittled away.

What you want to avoid, if it's at all possible, is being forced to use your capital to supplement your income. If you have to do it once you will almost inevitably have to do it again; and because the real value of their capital against inflation, than about preserving the value of their income like-wise. Time and again we get enquiries about the virtues of and the procedures for investing in Krugerrands; and the letters on the Index-linked Retirement Issue of National Savings Certificates (the "granny bonds") are even more prolific. Neither of those investments generates any income at all. Yet in the case of most retired people, it must surely be more sensible to generate a little more income to live on now, than a little more capital to leave to the tender mercies of their heirs and the Inland Revenue.

Of course the two aims aren't necessarily mutually exclusive, though it has to be said that those who have gone for income in recent years have had to put up with either a sharp fall in the real value of their capital (if it's been put on deposit, say with a building society), or, at best, with very sharp gyrations in its face value (if it's been put into stocks or shares). Because our taxation system penalises those who try to preserve the real value of their capital by reinvesting income, the latter have more chance of seeing their investments come right over the long term. But in the short term life might well be pretty unnerving.

The possibility that your capital might decline in value if you use it to provide your self with additional income is not, however, an argument for not using it at all. After all, apart from the £700 that you can put into the Index-linked Retirement Issue of National Savings Certificates, it's quite possible to produce regular income from your investment—with no immediate tax liability.

### THE STRENGTH OF PROVIDENCE CAPITOL

Providence Capitol is part of the international Gulf + Western Group, whose gross assets exceed £2,000,000,000. It is an established life office with total assets of well over £70,000,000. And its stated purpose is to provide the most tax-effective answers possible to the savings and investment needs of private individuals today.

If you would like to start cutting your tax bill now, and look forward to a more prosperous future, simply send the coupon. No stamp is needed. We pay postage. It's a lot more positive than complaining.

## TO ANYONE WHO HAS EVER COMPLAINED ABOUT PAYING TOO MUCH TAX. YOU PROBABLY ARE.

Everyone in Britain seems to complain about tax.

And the more people are earning, the more they seem to complain.

And yet, there are many tax concessions and allowances that almost everyone fails to take full advantage of.

At Providence Capitol, we have looked very closely at a number of important tax concessions and have carefully built investment and saving plans to use them to the full.

Whether you are an employee, a company director or self-employed, you could very well be on the way to cutting your tax and creating personal wealth by reading this announcement.

### IF YOU ARE SELF-EMPLOYED.

If you are, you have the ideal opportunity to cut your tax bill very considerably and to create a large tax-free capital sum and high income for your future.

What you are allowed is 100% tax

Also, the growth of your contributions is virtually tax-free and for directors and key executives this is one of the best ways to create personal wealth, without risk.

### IF YOU HAVE CAPITAL TO INVEST.

Providence Capitol's Maximum Investment Bond combines expert investment management and tax advantages not normally available to individuals on their own.

And if you want, the Bond can

To Peter Oliver, Managing Director, Providence Capitol Life Assurance Company Limited, FREEPOST, London W12 8BR.

Please give me full information, without obligation, about Providence Capitol's:

- Personal Pension Plan
- Executive Pension Plan
- Maximum Investment bond
- Maximum Investment Plan

Name \_\_\_\_\_

Address \_\_\_\_\_

**PROVIDENCE  
CAPITAL**

A NEW UNIT TRUST FROM HENDERSON  
FOR FIXED INTEREST INVESTORS

# Cabot Preference & Gilt Trust

## Income and Growth Prospects

At present long-term interest rates are relatively high. This means that both preference shares and Government securities are attractive investments for two important reasons.

Firstly they offer a high immediate income. Secondly they offer scope for capital growth since the strengthening of sterling and continued economic recovery should reduce the general level of interest rates over the coming months.

The new Cabot Preference & Gilt Trust is designed to take advantage of these opportunities.

### The New Cabot Trust

The Cabot Preference & Gilt Trust is designed to provide a high income from a wide selection of preference shares and British Government Securities. In order to obtain consistently high income most of the portfolio is invested in preference shares but the proportion between these holdings and Government securities will be varied at the Managers' discretion. Initially there will be approximately 93% in preference shares and 7% in gilt-edged securities.

### The Case for a Preference and Gilt Trust

Preference shares provide the opportunity of high income as they have prior claim on both income and capital before payment to ordinary shareholders. They also offer greater stability and protection which enables the Managers to offer a consistently high income to unit holders.

Government securities also provide high income but interest received from this source is subject to corporation tax at a disadvantageous rate to unitholders when compared with direct investment in these securities. Investment in gilt-edged securities is accordingly small.

The Managers have discretion to vary the proportion and may do so should taxation laws change.

### Quarterly Income Payments

There are many investors today who want a high and regular income. Distributions will, therefore, be made once a quarter on February 1st, May 1st, August 1st, November 1st. The first distribution will be made on February 1st, 1979.

**12.25%**  
PER ANNUM  
Estimated starting gross yield  
**PAID QUARTERLY**

Where unit holders require greater prospects of capital growth, this can be achieved by coupling an investment in the new trust with Cabot Extra Income Unit Trust which is wholly invested in ordinary shares and with exactly the same distribution dates. For further information consult your investment adviser or telephone Peter Peterson Lund at Henderson Unit Trust Management Ltd, 01-588 3622.

### Experienced Management

Investments in Cabot Preference & Gilt Trust will be managed by Henderson Administration, an investment management company established in the City for over 40 years. The Managers, therefore, have a wide range of contacts with stockbrokers and other financial institutions over this long period.

### ADDITIONAL INFORMATION

Units will be available after the offer closes at the normal daily price. Unit Prices and Yield are published daily in leading newspapers.

Commission of 1.1% will be paid to recognised agents. An annual charge of 1.1% is included in the offer price.

The trust is deducted from gross income to cover administration costs.

To all units, endorse your unit certificate and send it to the Managers. Payment will normally be made within seven working days.

Contract notes will be issued and unit certificates will be forwarded within six weeks of payment.

Trustee: Williams & Glyn's Bank Limited.

Managers: Henderson Unit Trust Management Limited, 17 Austin Friars, London EC2N 2ED (Registered Office).

To: Henderson Unit Trust Management Ltd, Dealing Dept., 5 Rayleigh Rd, Hutton, Brentwood, Essex CM13 1AA. 01-588 3622

I/we wish to buy \_\_\_\_\_ units in Cabot

Preference & Gilt Trust at the fixed price of 50p per unit (minimum initial investment £1,000 units).

I/we enclose a remittance of £\_\_\_\_\_ payable to:

Henderson Unit Trust Management Ltd. After the close of this offer units will be available at the daily quoted price.

Surname Mr./Mrs./Miss \_\_\_\_\_  
BLOCK CAPITAL PLEASE  
Christian or First Name(s) \_\_\_\_\_  
Address \_\_\_\_\_

I/we declare that I am/we are not resident outside the Scheduled Territories and that I am/we are not acquiring the units as the nominee(s) of any person(s) resident outside these Territories.

Signature(s) \_\_\_\_\_  
(If there are joint applicants each must sign and attach names and addresses separately.) Date \_\_\_\_\_

**Henderson**  
Unit Trust Management

FT/10

Henderson Administration currently manage funds in excess of £300m including the range of Henderson Unit Trusts.

### To Buy Units

Please remember that any unit trust investment should be regarded as long term.

The price of units and the income from them can go down as well as up.

To invest in Cabot Preference & Gilt Trust at the initial offer price of 50p simply return the application form below with your remittance either direct or through your professional adviser. This offer closes on October 27th or earlier at the Managers' discretion.

### Additional Information

Units will be available after the offer closes at the normal daily price.

Unit Prices and Yield are published daily in leading newspapers.

Commission of 1.1% will be paid to recognised agents. An annual charge of 1.1% is included in the offer price.

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Signature(s) \_\_\_\_\_  
(If there are joint applicants each must sign and attach names and addresses separately.) Date \_\_\_\_\_

**Henderson**  
Unit Trust Management

FT/10

# "I've jumped on the Bondshare Bandwagon!"

"I love 'em. I get extra interest and I still get  
Abby National security. I've got a 3-year Bondshare for £1,000  
and I'm going to renew it soon. Every six months I get a nice  
cheque for about £38, so off I trot to London for a spree.  
If you can put money away for two or three years it's  
marvellous. Do you know, I think  
I'll start another..."



### THE FACTS ABOUT ABBEY NATIONAL BONDSHARES.

You can buy Bondshares for 2 or 3-year periods. Minimum investment is £500, maximum £15,000 (£30,000 for joint accounts).

Although Bondshares do not guarantee you a fixed rate of return, they do guarantee you a bigger interest rate than Share Accounts.

2-year Bondshares guarantee you 0.5% p.a. more. 3-years 1.0% p.a. more. (See table for current rates).

You cannot withdraw Bondshares until the 2 or 3-year period is up. Interest is paid every 6 months.

You can jump on the Bondshare bandwagon today. Simply fill in the coupon and post it to us, enclosing your cheque. (No stamp required).

Or call in at your nearest Abbey National Office.

Current Bondshare rates	Gross equivalent when income tax is paid at a basic rate of 33%.
2-year term 7.20% p.a.	10.75% p.a.
3-year term 7.70% p.a.	11.49% p.a.

To: Dept. B.S., Abbey National Building Society, FREEPOST, Baker Street, London NW1 6YH.

I/we enclose a cheque, numbered \_\_\_\_\_

value £\_\_\_\_\_ to be invested in Abbey National Bondshares for the period indicated.

2-YEAR  3-YEAR  Tick appropriate box

I/we understand that my/our interest will be paid out at 6-monthly intervals, and that the investment cannot be withdrawn earlier than the stipulated period except in the case of death.

FULL NAME(S) \_\_\_\_\_

ADDRESS \_\_\_\_\_

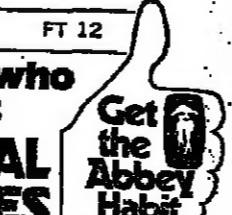
DATE \_\_\_\_\_

SIGNATURE(S) \_\_\_\_\_

FT 12

**A bonus for savers who  
aren't spenders**

**ABBEY NATIONAL  
BONDSHARES**



# YOUR SAVINGS 3

## Amateurs and property

BY OUR LEGAL STAFF

My father who is non-resident seen mentioned in our columns from time to time, you will find this point dealt with in paragraph 71(c) on page 23. If not, you should get one from your tax inspector and read it carefully before pursuing your ideas too far.

I am resident of UK with no capital but a semi-detached house built on a double plot. The architect tells me I could build another house on this plot.

Before I go into the expense of getting planning permission, etc., would it be advisable to borrow from my father at an interest rate slightly above what he gets to build this house and repay him from the sale of one house? How do I go about getting money from the external account and would the interest in my father's hand from me be taxable?

Why not simply sell the plot (with, or even without, planning consent)?

You will need Bank of England consent to pay interest to your father, and to repay the loan, so you and he should consult your UK bankers.

You will have to deduct basic rate tax from the interest, leaving your father to be assessed direct for any additional tax on the excess over £1,700 (or £2,500 if he was born before April 6, 1914).

If you have a copy of the free booklet IR11, which you will have

each of us to transfer each year "2,000 of my share of taxation agreement between the house?"

The path of the amateur property developer is beset with pitfalls, which could convert a pretax profit into post-tax loss, so you will need skilled local professional guidance from the very outset—and indeed before you make a move.

### Service charges and premiums

My lease carries the following

paragraphs regarding annual service charges: (1) "Where

in the first year following the acquisition of the estate the lessor has granted leases of flats or rooms on the estate at a premium then subject to the payment of the costs of the

acquisition of the estate and all expenses in connection therewith the lessor shall set all such premiums against the

expenses incurred in the discharge of its obligations under the Sixth Schedule or otherwise

fix the 1977-78 basic rate at 1977-78 and 1978-79 it is 34 per cent, instead of 33 per cent as he had originally suggested (to supersede 35 per cent).

First, it is important to bear in mind that in fact no tax is actually deducted from dividends paid by UK companies; deduction of income tax from UK dividends ceased at the end of 1972-73. Since April 6, 1973, the parallel between UK dividends and UK building society interest is not perfect: building society interest: the actual amount paid to the investor (without deduction of income tax) is regressed for UK dividends over (b) the tax year carry a tax credit of 33/67ths (equivalent to 33 per cent income tax).

The parallel between UK dividends have been treated in much the same way as UK private investors are concerned, the great advantage of building society interest: the tax credit of (a) the tax credit on income tax is ultimately repayable but the other (b) is not.

(Strictly speaking, tax credit on UK dividends should be accepted in respect of an

new rate after the date set for giving up possession. The tenant can continue in occupation as long as the court does not direct him to give up possession, and there is no limit to such a period of occupation.

### Dividends and tax

In finalising my income tax assessment for 1977-78, the inspector allowed an overall tax credit of 34 per cent on my income from dividends.

In fact, a large proportion of the companies involved

deducted tax at the rate of 35 per cent off the first dividend paid after April 5, 1977, and none have given any rebate subsequently.

What can one do about this situation in which the tax credit being allowed is less, albeit by a relatively modest amount, than the actual tax paid by deduction?

You apparently missed

the detailed explanation of this dividend is paid. The point

which is obviated by the

actual tax credit figures printed

on the dividend counterfoils are

published in the Financial

Times on July 16 last year, the

day after the Chancellor's an-

nouncement of his decision to

fix the 1978-79 basic rate at 33 per cent.

And according to Mr. Pa-

Bartram, the general manager

responsible for the home div-

sion, even this latest step is not

going to get the content

account back into profitability.

Further steps, including the in-

duction of an excess

value

to eliminate small claims,

are being considered. Meanwh-

ile Sun Alliance is keeping up

tough

## YOUR SAVINGS AND INVESTMENTS 4

JULIUS

*Fair treatment for the consumer*

NEW deal for the consumer, rare to find just one type of service for controlling the insurance broking profession offers a new for old type of insurance for household contents, which has a higher premium and therefore a higher commission than an indemnity.

## BROKERS

ERIC SHORT

The methods of maximising commission as far as life assurance is concerned fall into two categories. The first is the obvious difference in scales paid by companies which are members of the Life Offices Association, or its sister body the Associated Scottish Life Offices, and those which are not members. The latter tend to pay higher commission rates.

Secondly there is the subtle but more important difference in commission rates between various types of contract. And here there is real scope for abuse.

On a 25-year policy the initial commission is 60 per cent of the annual premium. On a 10-year policy it is 25 per cent. If you want a 10-year contract, the client should explain the alternatives.

Another important requirement is that on the request of the client, the broker has to

disclose the amount of commission being received from the insurance company. The client needs to ensure that the contract being offered him is done so on the grounds that it is the best to suit his needs and not because it pays the highest commission.

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the entry of the traditional life companies into this field.

Vanbrugh's reaction has been to go up-market with the launch of VIP—the Vanbrugh Investment Portfolio, a unit-linked bond with a minimum investment of £25,000. Investors have the same choice of funds as with the existing bonds (minimum investment £1,000), which they can split how they like; they have the same switching facilities and are subject to the same charges. The innovations are quarterly investment bulletins which will inform them of fiscal and legislative developments, and an annual invitation to a VIP investment conference to meet the fund managers.

Vanbrugh Investment Portfolio is being marketed exclusively through "top-flight" brokers, particularly those specialising in personal investment and tax planning. They will be invited to these investment conferences.

## To be an actionnaire



## PRIVATE shareholders in British companies are an unaccountable lot. It came as a surprise, when I recently attended the agm (and egum) of a major company, to find that shareholder participation in the business of the day was restricted to one or two sycophantic votes of thanks to the board, one suggestion that some of the directors looked as though they were past it, and one question so incomprehensible that the chairman was reduced to whispering to his neighbour: eventually he promised to "come back to that later."

Those whose duties require them from time to time to attend the shareholders' meetings of French companies will tell you that things are very different over there. Most French companies have an accounting year coinciding with the calendar year, and they are statutorily required to hold their agms within six months of the end of the accounting year.

## SHAREHOLDERS

MARTIN TAYLOR

Another statutory requirement seems to be that the chairman should read his speech from the annual report—everybody follows the text, as though it were the Divine Office—and that the company secretary (usually) should then read out the entire balance sheet, profit and loss account, source and application of funds statement, notes to the accounts, and so on.

The most enlightened companies of all give their shareholders a ten-franc note (coin, this year) to pay the cost of their metro fare and to put towards a cognac afterwards: this helps the poor rentier get over the shock of seeing what a state consolidated cash-flow is in. This sort of reverse tipping, by no means universal yet, is carried out by a uniformed man at the door.

As you might expect (or might you), French firms have to hire enormous auditoria to cope with the rush. In 1977 attendances were at record levels, as most of the biggest companies were in imminent danger of nationalisation, and the AGMs threatened to be the last ever. Querulous investors asked their chairmen what the shares were really worth—in answer to which Cartesian enquiry they would not be fobbed off with talk of net asset value. A shareholders' protection committee lobbied the meetings of the nationalised, and read out a tract that made the chairman sound laconic. Shouts of defiance punctuated the source and application of funds.

After all this excitement 1978 was something of a let-down.

But the best-informed observers, and those who looked at their charts, regard 1978 as a mere cyclical downturn. It is as certain as it is that the price of champagne will go up, that 1979 will be a splendid year for French agms, now that the government is creating more shareholders than before by giving them tax concessions.

## The mine of the week

PLATINUM and gold have confidence at just under \$300. On the gold front, the market is not entirely friendless and we have again seen the improvement in U.S. buying this week.

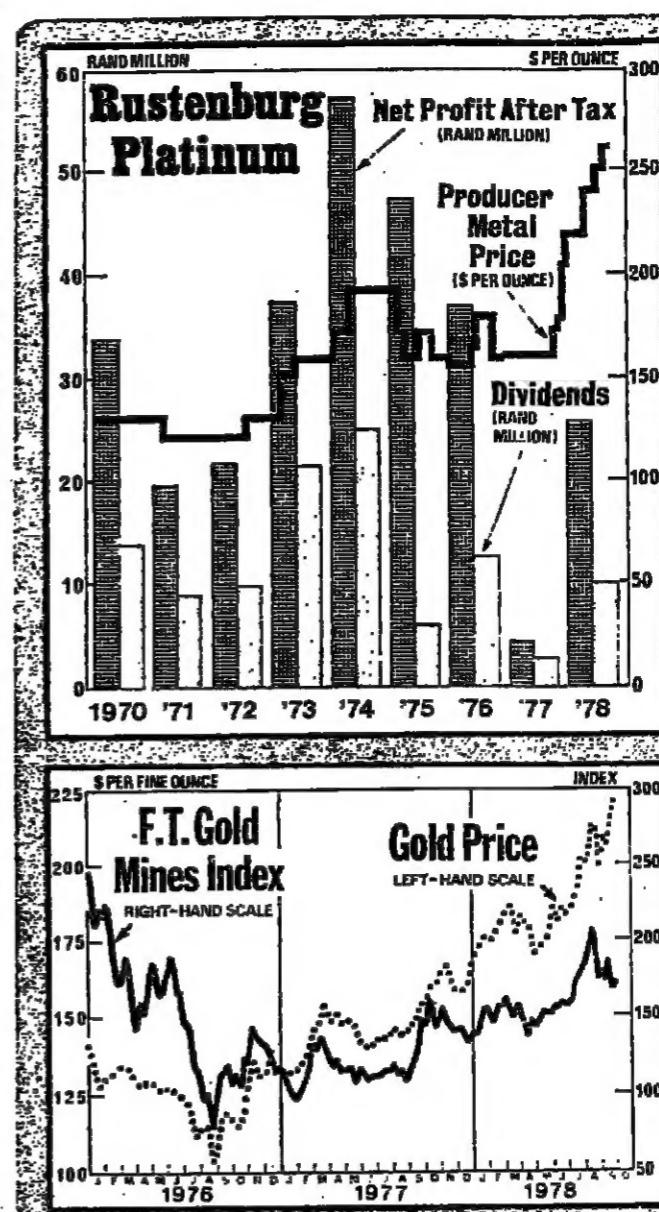
As for the metal itself, there is a general air of confidence of the September quarterly profit figures from the mines, those and Mr. P. A. von Weilligh, president of the Chamber of Mines of South Africa, has said published on Wednesday. In this week that the price should previous quarter, the bullion remain strong next year, pointing out that the problems of the U.S. dollar and world economic uncertainties have yet to be solved.

He is also bullish about uranium, commenting that world demand continues to be strong and that prices for the nuclear material remain "reasonably" firm. There is, however, a tinge of autumn in the latter comment and it has appeared again this week with the annual statement of Mr. J. C. Fritz chairman of the gold and uranium-producing Buffelsfontein who has mentioned that there has been a tendency on the part of customers to take delivery as late as possible.

This may be producing some thoughtful frowns on the part of Australia's potentially big producers, and indeed, on their new competitors who have made major discoveries in northern Saskatchewan. Sellers' markets do not always wait for the suppliers who mark time as the Australians have done for so long.

None of the big new mining operations in Australia has yet received the go-ahead. A few weeks ago it looked as though the Ranger deposit of Peko-Wallsend and EZ Industries in partnership with the Australian Government had at last crossed the various environmental hurdles and with an agreement on Aboriginal royalties all but signed was to be the first to start up.

Since then, however, the Aboriginal groups have been arguing among themselves and the agreement has not been ratified. There is now no chance of any construction taking place at Ranger until the big wet season ends after next April.



the considerable support Chieftain has received from stockbrokers and investment advisers.

The Trustee of Chieftain Income & Growth Trust is Midland Bank Trust Company.

## TAX ADVANTAGES

You can sell your units on any normal working day at the prevailing bid price. You will normally receive a cheque within seven working days of receipt of your renunciation certificate.

The 1978 Finance Act allows that unit trusts will pay tax on capital gains at the privileged rate of only 10%.

When you sell units you will receive a tax credit of 10% against Capital Gains tax. Therefore on unit trusts you should have no tax to pay on profits up to £3,000 on sales in any one year, and your maximum liability is limited to 20% of your gain. On sales before 5th April, 1979 the tax credit is even higher.

## CLOSING DATE

Unit 13th October units will be available at a fixed price of 25p each. Your application will not be acknowledged, but you will receive a certificate by 24th November, 1978.

Fill in the coupon, or talk to your financial adviser without delay.

## GENERAL INFORMATION

After 13th October units will be available at the daily quoted price and yield published in most newspapers. The offer will close if the underlying price of units differ from the fixed price by more than 2½%.

Units were first offered on 4th September, 1978 at 25p. There is an initial management charge of 5% included in the price of units. There is also an annual charge of 1½% VAT which has been allowed for in the quoted yield.

Interest is paid net of income tax, but this can be reclaimed by non-taxpayers.

Distributions and a report on the fund are made half-yearly on 28th February and 31st August. Units bought now qualify for the distribution on 28th February, 1979. This offer is not applicable to Eire.

The Managers of the Trust are Chieftain Trust Managers Ltd., Chieftain House, 11 New Street, London EC1N 4TP. Telephone 01-283 3632.

## CHIEFTAIN TRUST MANAGERS LIMITED

## SHARE EXCHANGE SCHEME

If you wish to realise a part of your portfolio and invest in Chieftain Income & Growth Trust, the Managers can arrange to sell your shares for you, and will absorb all the usual costs of the transaction. This can give you a worthwhile saving. The minimum purchase through the Share Exchange Plan is £500. Tick the box in the coupon for full details.

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If you want to know how to buy Chieftain Income & Growth Units on a regular monthly basis.

If you would like details of our Share Exchange Plan.

If we declare that I am/we are over 18 and not resident outside the UK or Scheduled Territories and Territories. If you are unable to sign this declaration it should be deleted and your application lodged through an authorised depository.

SURNAME (MR/MRS/MISS) \_\_\_\_\_

FIRST NAME(S) IN FULL \_\_\_\_\_

ADDRESS \_\_\_\_\_

SIGNATURE(S) \_\_\_\_\_

(If there are joint applicants all must sign and attach names and addresses separately) REG OFFICE AS ABOVE PEG DNO 1X18

Marketing  
i VIP

An order

possession

HE STORY of Vanbrugh Life has been one long string of successes since it came under the Prudential's wing in 1974. Over the past few years it has become a market leader in the field of unit-linked bonds—slightly ahead of Abbey Life and Hambro Life. But this year its crown has slipped, for bond sales at the half-way stage were down by 14 per cent, against an industry rise of 50 per cent. Vanbrugh claims to have been the company most affected by

Americans  
advance

WHAT IS the connection between selling life assurance and making films? Recently the giant U.S. conglomerate Gulf and Western, best known through Paramount Pictures of "Grease" fame, relaunched the Slater Walker Insurance company under its new name, Providence Capitol. This week another U.S. conglomerate, Transinternational, best known for ownership of United Artists' "One flew over the Cuckoo's nest", announced plans for expansion of its UK life company Transinternational.

Transinternational's marketing philosophy is simple: get the investor young and you have him for life. The principal requirement of the married man with a young family is lowest financial protection against the possibility of an early death. Savings contracts come later. Transinternational argues it is necessary to sell the young married man low cost term insurance, with options to convert a variety of later dates. The company claims to have

been successful in selling direct to the public. Now it intends to expand into the UK broker market. Transinternational believes in paying the intermediary the same amount of commission irrespective of the type of contract sold, a practice adopted from its immediate U.S. parent, Occidental Life. The company reckons that such a system ensures the client is sold the right type of contract to suit his (or her) needs. Yet from inquiry it would appear that its commission rates are lower than in the market, though its premiums are higher.

Accountants  
informed

If you let a part of your house, or have a client who does, then the latest issue of the Accountants Digest\* will interest you. It provides a comprehensive guide to all the features and curiosities of inland Revenue practice in this and many other areas; the approach is in fact, rather than in theory, as amended and recorded in statutory concession, ministerial statement, practice note of England and Wales.

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## High Yields Guaranteed

Here is the way to benefit from one of the highest investment yields obtainable today. Invest £1,000 or more in these Bonus Bonds and you are guaranteed an annual bonus of 9% for 4 years. Bonuses will be declared annually on the anniversary date of your bond and are free of tax if you pay tax at the basic rate. For such investors the bonds give a return of 13.4% gross.

## Surrender Option

To receive an annual income you may surrender your bonuses for cash. If you wish to do this you should indicate on the application form. If the bonuses are accumulated, the value of a Bond of £1,000 after 4 years will be £1,411.58.

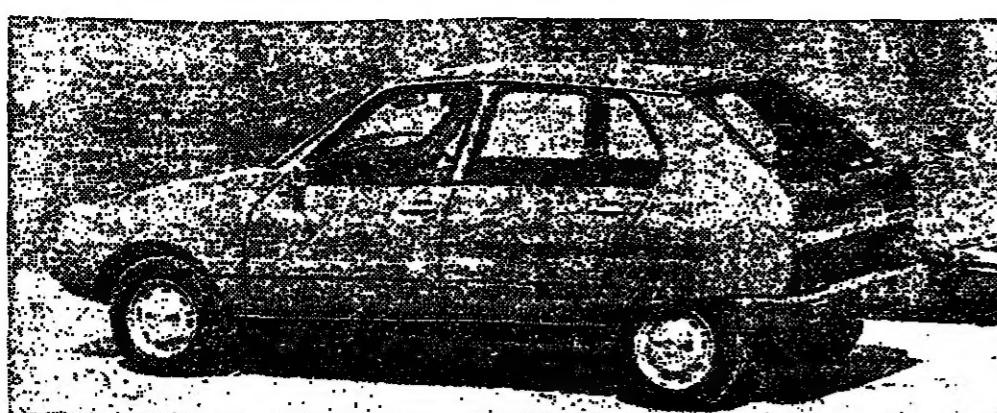
## Death Benefit

If you die during the term of the Bond, the full amount of your investment will be paid to your estate together with the accumulated bonuses.

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## MOTORING



The Visa: a proper Citroën even though it is partly Peugeot.

### Citroën's way with Visa

BY STUART MARSHALL

If Chrysler can be as clever as Citroën, they need no separate history after a couple of years under Peugeot's wing.

The extraordinary thing about Citroën's latest car, the Visa, is that although it is pure Peugeot 104 from the floor down, it feels—and rides—exactly like a Citroën.

The Visa is the first Citroën in years not to have a special kind of suspension in which front and rear wheels are inter-linked. It has a straightforward coil spring set up. But, when I drove the Visa in northern Greece last week, it lolloped as shock-absorbers over the bumps as any Citroën, even if it didn't roll quite so extravagantly on corners.

There are two Vistas. The cheaper is the Club, powered by a development of the Citroën deus' air-cooled, horizontally opposed two-cylinder engine and using the Citroën GS's gearbox. The other, the Super, has the Peugeot 104's cross-mounted four-cylinder, with the normal Peugeot gearbox. Of the two, the Super is considerably faster—a maximum of almost 90 mph compared with the Club's claimed 77 mph. But I much preferred the Club. It handled better, due to more even weight distribution, and felt nimble on winding mountain roads.

It is always tempting to regard cars with only two cylinders as a joke and it had to be admitted that when the Club's motor starts up, it sounds like agricultural machinery. But at anything over idling speed, it is as smooth as it is willing. From the noise reaching the

inside, you wouldn't know whether it was a twin or a four under the bonnet.

Citroën have given their latest twin-cylinder a clever all-electronic ignition system which has no contact breaker or moving parts and thus has nothing to lose adjustment or wear out. They say it gives easier starting and reduces exhaust pollution. It certainly helps fuel economy. During a fairly wild morning's drive, with miles of flat-out climbing in third gear, I achieved a fraction less than 40 miles per gallon.

The control layout is typically Citroën, too, with what they call a satellite (it looks like a yoghurt pot) on the left of the wheel to operate lights, horn, wipers, washers and direction indicators. Even the heating/demisting slides are within fingertip reach. The fresh air vents were big enough to permit closed window motoring on the open road with a temperature in the high 70s.

The Visa replaces the Ami, which even by Citroën standards was a very ugly car indeed. (The bonnet seemed to have been sat on by a circus elephant.) It looks most attractive, with a sharply dipping bonnet that you can hardly see from the driving seat and a squared-off hatchback tail. There is ample room inside for full-sized people. The Club's seats are soft and the blue polka dot cloth trim is in keeping with the car's chirpy character.

Although the Visa made its public debut at the Paris Motor Show this week, it won't be at the NEC Motor Show later this month because British sales are not due to start until September 1979. If the price is right, it must compete strongly in the Renault 5/Volkswagen Polo/Fiat 127 class.

While Citroën have been successfully trying to preserve their pre-Peugeot identity, Volvo have been striving to do the opposite with their ex-DAF 343 hatchback. At last, they have won through. The Volvo 343 has now been equipped with a manual transmission and has become at least 100 per cent better as a result. It feels a proper Volvo.

A hefty four-speed gearbox—the same as that used in the big Volvo cars—has been built into a trans-axle with a sophisticated de Dion suspension. The gearshift is quick and clean and quieter, more economical and altogether nicer than the two-pedal version.

The 343 now impresses as a strong and solid car. It rides well over all kinds of roads—including some long stretches of gravel I tried it on in Sweden—and retains its good manners. The one thing the 343 could never be criticised for was its balanced behaviour, due to 50/50 weight distribution. The replacement of the Variomatic box with manual gears has not affected this at all. It is now a car a hard though safety-conscious driver can really enjoy.

The price of the Variomatic 343 is unchanged; the manual version will be £200 cheaper, starting from £3,350.

In his long and distinguished career as the supreme of Celtic which began in the mid-40s and

ended earlier this year, Jock Stein was an effective, not especially good footballer, and played for Albion Rovers, before joining Llanelli. While with the Welsh club his home in Glasgow was

the obvious and the popular choice, but why they should have delayed until he had taken over at Leeds is hard to fathom, and distinctly unfair on the English club.

Jock Stein has proved himself to be a great, and that much over-emphasized adjective is used deliberately, manager with a track record to substantiate the claim. Under his guidance and with very meagre resources Dunfermline won the Scottish Cup and Hibernian did likewise. When he took charge of Celtic—the first Protestant to be entrusted with the job—he transformed this Catholic club into not only the finest in Scotland, but it was also the first club in Great Britain to carry the European Cup.

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Inevitably Jock could not resist their offer to look after the Scottish national team and it had nothing to do with money. This new appointment meant that both his wife and himself could remain in the West of Scotland they love so much with the rest of his family and friends, while it also provided him with one supreme, final challenge. He did much to make Celtic the best side in Europe. Can he now make Scotland the best team in the world? If anyone can achieve this objective it must surely be Jock Stein, and everyone must wish him luck.

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### COMPANY NOTICES



JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY LIMITED

(Incorporated in the Republic of South Africa)

NOTICE TO HOLDERS OF SHARE WARRANTS TO BEARER

DIVIDEND NO. 103

Pursuant to the notice published on 30th August, 1978, members are informed that the rate of dividend at which payment is to be made on 1st October, 1978 is 1 Rand of 100 cents equal to 28.6205p per United Kingdom currency. The gross dividend per share in the United Kingdom Paving Agents is therefore equivalent to 75.6201p per share.

Holders of Share Warrants to Bearer are invited to present the payment of dividends to the London Stock Exchange on or before 10th October, 1978, upon delivery of Coupon No. 103 at the London Bearer Reception Office, 40, Hornbeam Street, London EC1P 1AJ.

Equivalent in United Kingdom currency of dividend declared 75.6201p per share.

Less South African Non-Resident Shareholders Tax at 14.75% 11.1842

AMOUNT PAYABLE WHERE COUPONS ARE LODGED WITH THE COMPANY

Less South African Income Tax at 18.21% on the gross 64.4359

dividend less Notes 1 and 2 below 15.7704

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COUPONS MUST BE HELD TO ENSURE PAYMENT FROM THE LONDON BEARER RECEIPT OFFICE AND DELIVERED IN RESERVATION ON ANY DAY AFTER 15TH OCTOBER, 1978, AT LEAST SEVEN CLEAR DAYS BEFORE DIVIDEND IS REQUIRED.

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JOHNSON & SONS LTD., LONDON EC2M 3XH  
TELEPHONE 01-580 2521

NOTES:

(1) The gross amount of the dividend for use in United Kingdom Income Tax purposes is 75.6201p per share.

(2) Under the Double Taxation Agreement between the United Kingdom and the Republic of South Africa, a debit account is maintained in respect of the dividend tax payable in respect of the dividends. The deduction will be the reduced amount of 3.5% of the gross amount of the dividend less 5.7% of the reduced amount of the dividend tax payable in respect of the dividends.

South African Non-Resident Shareholders Tax

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**FINANCIAL TIMES  
ON SATURDAY—  
THE FIRST OF THE SUNDAYS**

## Huggett into the lead

BRIAN HUGGETT, playing on his native soil and with a great deal of vocal encouragement, stole the lead after three rounds of the Dunlop Masters Tournament here at St. Pierre this sunny evening with a round of 65 that, after the first two of 68 and 72, gave him a 7 under par total of 206.

In second place comes S. African John Bland at 6 under after rounds of 72, 68 and 67. Another British veteran, Tommy Horton, comes next at 5 under par after a round of 67, and the young man who equalled the course record with a 65 on the first day, but who fell away yesterday, with 74, Howard Clark, came back with 70 to day to be 4 under and by no means out of contention, since a 7 here is possible at all times, due to the profusion of magnificent, centuries-old trees on an essential parkland course.

At 2 under par, there are two players, another South African—perhaps more well-known— Dale Hayes, and the new tournament Players Champion, Brian Waites. At 1 under par come Peter Oosterhuis, the best-known South African, Gary Player. Huggett's veteran business partner Neil Coles and the American "mookie," Bob Byman—the only representative of a strictly second eleven importation to be in contention going into the final day.

Huggett is having a marvellous round, but he has been blemish-free. He feathered in a 103-yard wedge shot 12 feet

from the hole for an eagle two paces from the green at the 18th. He tipped the ball straight into the hole for an eagle two paces from the green at the 18th.

Huggett missed easy chances at the 10th and 12th holes, hit a delightful two iron shot in modern terms.

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## PROPERTY

*Past tense, future imperfect*

BY JOE RENNISON

QUIET A NUMBER of agents general continues unabated, sprinkling Germans and so radius of London. Currently what is happening or what has happened to Hamp- there is particular pressure to the North West of London in an just happened in the market tons. Recently, however, there One effect of this change has been to broaden the range of properties being sought. An exception in this general picture are the Dutch who seem to remain as strong as ever their market. Middle Eastern buyers, properties to be prepared to go anywhere to look at property with land. They have been quite active in Norfolk, Suffolk, and outer Essex and also in Devon and Cornwall.

At the moment, he says, there is a severe shortage of top and middle market properties in these areas and he points to two factors which have contributed to the shortage. "Firstly, the cut back in the construction of quality houses after 1973 as inflation pushed building costs beyond market prices and secondly the fact that a house sold to a foreign buyer is not replaced by that buyer selling his existing property."

"In Hampton's own case, for instance," says Mr. Hutchings, "we have over 500 purchasers actively seeking properties at prices between £70,000 and £200,000. We also have a significant number who are ready and able to pay considerably more than this and whose requirements remain unfulfilled."

Such is the pressure from buyers that maintaining an orderly market is becoming more and more difficult and the obvious solution — an auction — is becoming the order of the day. "In all the circumstances," he concludes, "a continuing increase in prices for houses at the top of the market seems inevitable."

Electronic gadgetry abounds. At the flick of a switch, revolves. Can you imagine if you flop into bed one night after maybe a couple of jars too many and accidentally press the switch the condition you would be in next morning? Jet lag would be heaven by comparison.

Suddenly there was this fanfare of trumpets. Very nice, I thought. Yes, the F.T. is a quality newspaper but, really this was not necessary. But all it was was some soldiers down below in the nearby St. John's Wood barracks practising welcomes for visiting heads of state.

If you had been stuck what seemed like hundreds of feet above St. John's Wood tube station with little likelihood of seeing home and family again and the possibility of being hurled at any moment down into the seething maelstrom of the Finchley Road below you would know what I mean. And there was this PR lady whose intentions were no doubt honourable but who wanted to point out the heights of Hampstead in one direction and the Post Office tower in the other. But, in these circumstances would you have turned



High life in St. John's Wood.

*That certain feeling*

CAME BACK from looking your back to gaze into the round a place the other day distance?

Suddenly there was this fanfare of trumpets. Very nice, I thought. Yes, the F.T. is a quality newspaper but, really this was not necessary. But all it was was some soldiers down below in the nearby St. John's Wood barracks practising welcomes for visiting heads of state.

We had gone out onto the roof garden to escape the insanity inside the flat itself. This two-storey apartment has been fitted out by a man who worked on the sets for the James Bond films and it shows. While no doubt it is handy for the tube (if the Rolls has broken down) living in it could lead to some form of mental disorientation.

One totters around the place continually apologising to someone else, coming the other way until it is realised that it is one's own image looming in one of the thousands of mirrors. Agents are Chestertons and Ancombe and Ringland.

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Electronic gadgetry abounds. At the flick of a switch you can make a wall move, open the door, put on the telly or the high-fi. The baths are all sunken, the pile on the carpets sprouts high and the taste in furnishing is beyond expression. A waterfall cascades down one wall and the light fitting in the main living room gives a night time effect of something out of the Planitarium. (See photograph.)

There are three bedrooms and bathrooms, living room and kitchen. This column has always had the mental and physical welfare of its readers in mind so the price will not be mentioned. To do so would have half of you die of shock and the other half collapse with a fit of the giggles.

Agents are Chestertons and Ancombe and Ringland.

Eggars have been trying to assess the property market and its trends in the areas covered by their Hampshire, Sussex and Surrey offices. During the last three months the price rises have been only minimal and buyers are becoming more selective, although there is still very little for them to select. The mortgage shortage has slowed the market.

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Weller Eggars, like most agents, find the shortage of new property is affecting all price ranges. The first time buyers often cannot afford to purchase even at the now cheapest end of the market. People wishing to move from this lowest price range are finding it difficult to move into upper priced property, not because of the capital outlay, but because of the maintenance costs of larger, usually older houses. In this middle range too, there is a percentage of applicants who are trying to move from these self-same larger houses into something more economical and these facts are contributing to a great scarcity of middle-priced houses. Weller Eggars see the market continuing to level out over the next few months and they hope for a return to more stable growth in the new year.

From the New Forest Jackson & Jackson: as they forecast in their Property Review

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So many people wandering through my office in the last couple of days, having seen the above picture, and said "Oh, that's pretty" or words to that effect. I felt I must bow to the demand and reproduce it. It is of a delightful 16th century cottage, Rose Cottage, in a quiet part of the village of Bloxham, Banbury, Oxfordshire. The property is for sale through the Ramsbury office of John German Ralph Pay for £32,000. The original 16th century part of the cottage is of local sandstone under a thatched roof, with a brick and tiled extension and slate and timber rear addition. The cottage has been well maintained and was rewired two years ago and there is

also a Rentokil woodworm guarantee. The agents say there is scope to improve the property further by converting the garage into a second reception room and possibilities for adding an additional bedroom at the rear subject of course to the usual permissions. The accommodation at present provides a dining hall, sitting room, kitchen/breakfast room, 2 bedrooms, dressing room/3rd bedroom and bathroom. Both the sitting room and dining room have stone fireplaces (although sealed off in the former) and plaster boarding which could be removed to reveal beams. There is also a sealed-off fireplace in the kitchen with an ornamental pine surround. There is a small front garden and a garden at the back.

*Search for a new home*

A NEW SERVICE started in Britain this year to help home buyers acquire property some distance from their existing address, has been given an enthusiastic welcome.

Over 4,000 families have sought Home Relocation's assistance since January, says its chairman David Morris. "Despite a drastic shortage of properties and in most places a sellers' market, our member firms are able to render valuable assistance to those families who have to move from one town or city to another."

Mr. Morris, senior partner of the London-based estate agents, Alsop and Co., says the demand for the service had been "almost overwhelming at times." At the end of last year, they expected property values to rise in 1978, and over the past nine months they say they have witnessed a gradual rise in the market of at least 15 per cent.

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## LEISURE

**Birds abroad**

IT WOULD be interesting to know what the fishing and farming folk of northern Greece made of us: small group of binocular- and telescope-wielding Britons, scrambling through mountain scrub, trudging round salt pans, ambling along gorges in pounding afternoon heat, squatting among the ubiquitous glasswort of rival deltas, creeping about olive groves—and acquiring a pretty good sun tan in the process.

The occasion was one of a dozen or so bird-watching tours arranged by Cox and Kings this summer in different countries. Like any specialist holiday it had two prerequisites. The first was a real interest in the subject for, make no mistake, it is taken with proper seriousness (not, however, precluding a good deal of fun); the second was the loan or purchase of the right equipment. In my case, the interest went back many years, but the taking of it in any way seriously is relatively recent; thus the tour was an exhilarating—and very chastening—experience.

In terms of equipment, the prime requirement was a good pair of binoculars, plus a bird identification book, casual clothing, comfortable, and at times sturdy shoes, a head protection sun cream, and something to nibble at when time got forgotten. As tends to happen when you're out in the field, our leader, Cliff, also had a telescope for communal use and a small library of books for identifying flowers and butterflies as well as birds.

Our travels by small coach took us right across northern Greece from the border with Yugoslavia and Albania at Little and Great Prespa lakes, to the Evros delta edging Turkey. The two weeks were divided into three, or four-night stays in time of year—late August and early September—brought its own additional tests: juveniles in different plumage, adults in varying stages of moult, and seasonal border line between the departure of summer and arrival of winter visitors. I might have seen half of the 125 species I achieved out of the group total of 180.

Pigmy cormorant

This left us free to lunch at names, but a few may indicate sometimes rather unlikely hours the variety and the potential in tavernas (around £1.00-£1.50 pleasures). Not least was an including local beer or retsina, aerial ballet of migrating storks, wine or picnic-style with slowly circling and then coming ingredients purchased at local into land near the Turkish super or open-air markets border; a sudden take-off of around 500 per head). Men's egrets and glossy ibis, like a birds of our small group came scattering of draught board from scattered parts of England pieces flying into the sky; and diverse professional back-ground. But, in fact, on this didily available for comparison kind of holiday, backgrounds count for little; it's the common interest which binds most groups into congeniality.

In terms of ornithological expertise, I was certainly at the bottom end of the scale, but everyone else was generous and their better equipment, and our leader had infinite patience in clarifying what must have often been the obvious. Alone, I might have seen half of the 125 species I achieved out of the group total of 180.

As any proper bird watcher will know, however, it is not simply a question of "bagging"

## TRAVEL

SYLVIE NICKELS

new species. The whole field of bird behaviour is an inexhaustible source of fascination. The two weeks were divided into four centres: Florina, the north-western mountains; Salónica, Kavala and Alexandroupoli along the coast. We saw lovely scenery, countless cameos of the sort of rural aspects that most holiday-makers never see (though we fitted in some fine beaches and made good use of them, too), and took time off to visit major archaeological sites.

The tour was based on half board at good or medium hotels, with private bath or shower, sent a string of ornithological

fees or something stronger.

This is not the place to pre-

pare for something stronger.

Your Weekend F. Austria 27.800. Britain

61.75. France 8.40. Italy 1.900. Greece

61.75. Spain 10.50. Switzerland 3.12. U.S.

25.75. Source: Thomas Cook.

Photographed in front of the over skirt and long-sleeved top

Hennessy Distillery, deep in the are both made from burgundy heart of Cognac, a Jacques beige striped fine wool jersey.

Gilles coat is a Jaques beige striped fine wool jersey.

"knobly" rib knit. It has stud

fastenings and a ribbed high come from Wardrobe, 17 Chil-

ton Street, London, WI, or

and warm. The coat is £170 but

from Wardrobe at the Elizabeth

Jacques Gilles matching outfit

Street, London, WI. The camel

which has the kind of simple

leather sandals are £27.95 from

expensive look that the French Galaxy Shoes, 40 South Molton

and Italians do so well. A wrap Street, London, WI.

The clothes and accessories

fastenings and a ribbed high

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We photographed some of

high-fashion coats, the ones that

express the flavour of the winter

of 1978, in the heady atmosphere

of Cognac, in the grounds of

the lovely Hennessy chateau on

the banks of the river Charante. In

the drawings are coats at more

middle-of-the-road prices and

more middle-of-the-road styles.

L v d P

I AM SURE you will be pleased

to know that the official message,

for under £70. The cheapest all-

wool coats that we could turn up

were about £37 (at John Lewis

and Debenhams), while Marks

and Spencer had an all-wool one

at £39.50.

The newest looks in coats are

not tremendously flattering but

they are all-enveloping. The large

circles, softest cashmere piled

upon softest angora, all put to-

gether in an ineffably chic way,

but can look

seductively demure if you can

get it right. Simple double-

breasted coats are back, too, but

as not as to look dreary they

need to be worn with an "air"

no matter how chill the previ-

ling winds.

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L v d P

Above left: Kay Conner,

famous for her wonderfully soft and flattering knitted garments.

All her colours are soft and

blend invisibly and mysteriously

into each other. The look in

the photograph, above, is typical

of her handwriting.

This particular outfit consis-

ts of a 3-length coat with an

attached scarf—the colour is

the same as those in the waist

coat and have either a beige

grey background and then mix

be striped in various sub-

combinations (green/brown

blue or burgundy/lavender

pink or chocolate/tan or choc-

late/burgundy/tan). The coat

is £13.50, the waistcoat, £3.

Worn with the coat and waist-

coat is a long-sleeved blouse

(top) with a matching full skirt

both in plain grey or beige. The

brownson is £30.50, the skirt

£44.80.

The best selection of he

clothes is at Harrods

Knightsbridge, London, SW1

but at the end of October there

will also be good selections at

Stella Nova, Edinburgh, Mar-

gents, Cardiff, and John Pow-

ing, Birmingham.

Above: Photographed in th

Hennessy Distillery against

background of a huge gleam

copper still is a coat from Wall

Shops who, as ever, provide a

reasonable price, the ver-

iate look. As you can see, th

military look is here—wid

shoulders with epaulettes an

high collar is its trademark

The coat is 65 per cent wet

with 25 per cent polyester an

10 per cent other fibres and

has a co-ordinating scarf in

mini-check tweed which identi-

cally matches a button-in detac-

able lining in the same tweed.

The coat comes in four feather

colours—blue, plum, green an

brown. It is £35 from Wall

Shops.

The "Camargue" boot in

leather with cross-over strap

are £49.99 from all branches of

Russell and Bromley. The Sa

Browne belt is £5.95 and th

brown belt hat by Herbert John

son is £17.50, both fro

Fenwicks.

Photographs by

Trevor Humphries and

Edward Holt

Drawing by Samiko



I AM SURE you will be pleased

to know that the official message

for under £70. The cheapest all-

wool coats that we could turn up

## HOW TO SPEND IT

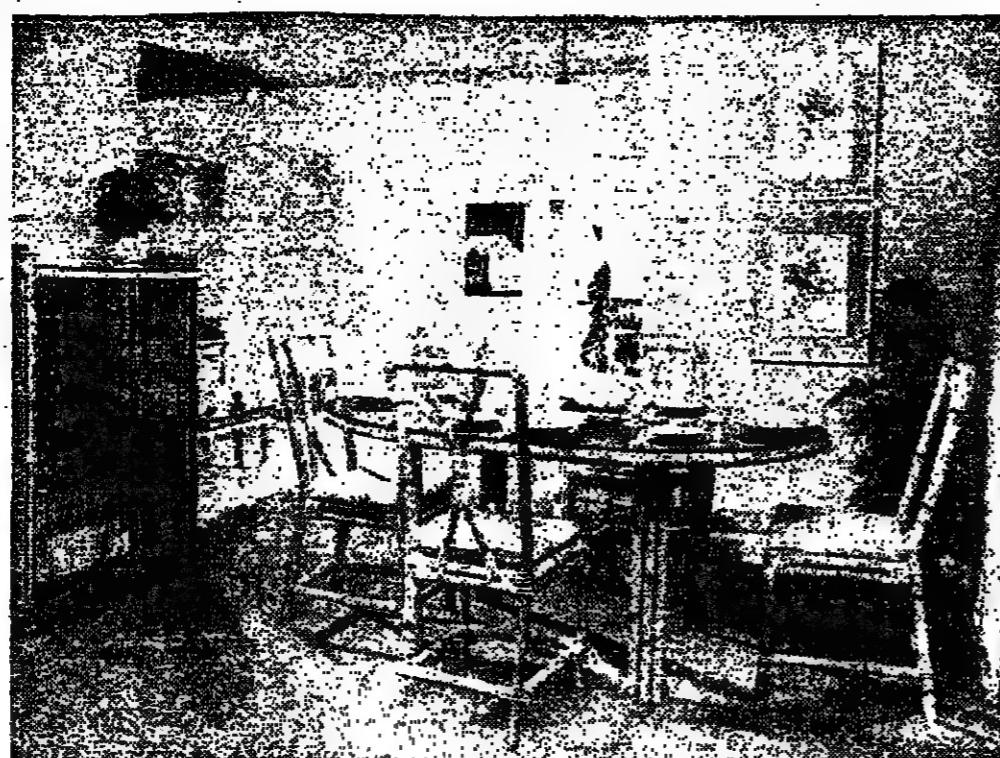
*A room of one's own*

IT SEEMED like a heaven-sent opportunity when Maples asked me if I (and about seven other journalists) would design a room, any room at all, to help celebrate the grand opening of their newly-built store at the top of London's Tottenham Court Road. After all, usually when I'm furnishing parts of my own home I'm having to choose something that will go with the carpet we're stuck with because we can't afford to change it, or I may find just the sofa at very much just not the right price.

In my room for Maples I could choose anything I fancied—price no object, colour no object ("we'll just dye it to match") and people laid on to run up curtains, cover-cushions, fiddle about with moving the furniture. I could just be in charge of the grand design—a role I've always secretly rather fancied. The only real restrictions were that I was obliged, quite naturally, to choose the furniture from the ranges that were going to be sold at Maples.

In the end I decided to do the sort of room I've always hankered after—an all-the-year-round summer room. It isn't a conservatory (though that would be lovely, you either have one or you don't). My room could be created by anybody out of even the most unpromising of box-like shapes.

Because I wanted it to convey an impression of leafy greenness, of summer sunlight and of warmth, I chose a very pretty wallpaper from Osborne and Little called Willow (a small section of it is reproduced far right). It has a cream background and is covered with small-scale gentle leaves and the occasional small pink flower. The paper costs £6.80 a roll (the number for easy reference is 211a) and there is matching fabric, used on several



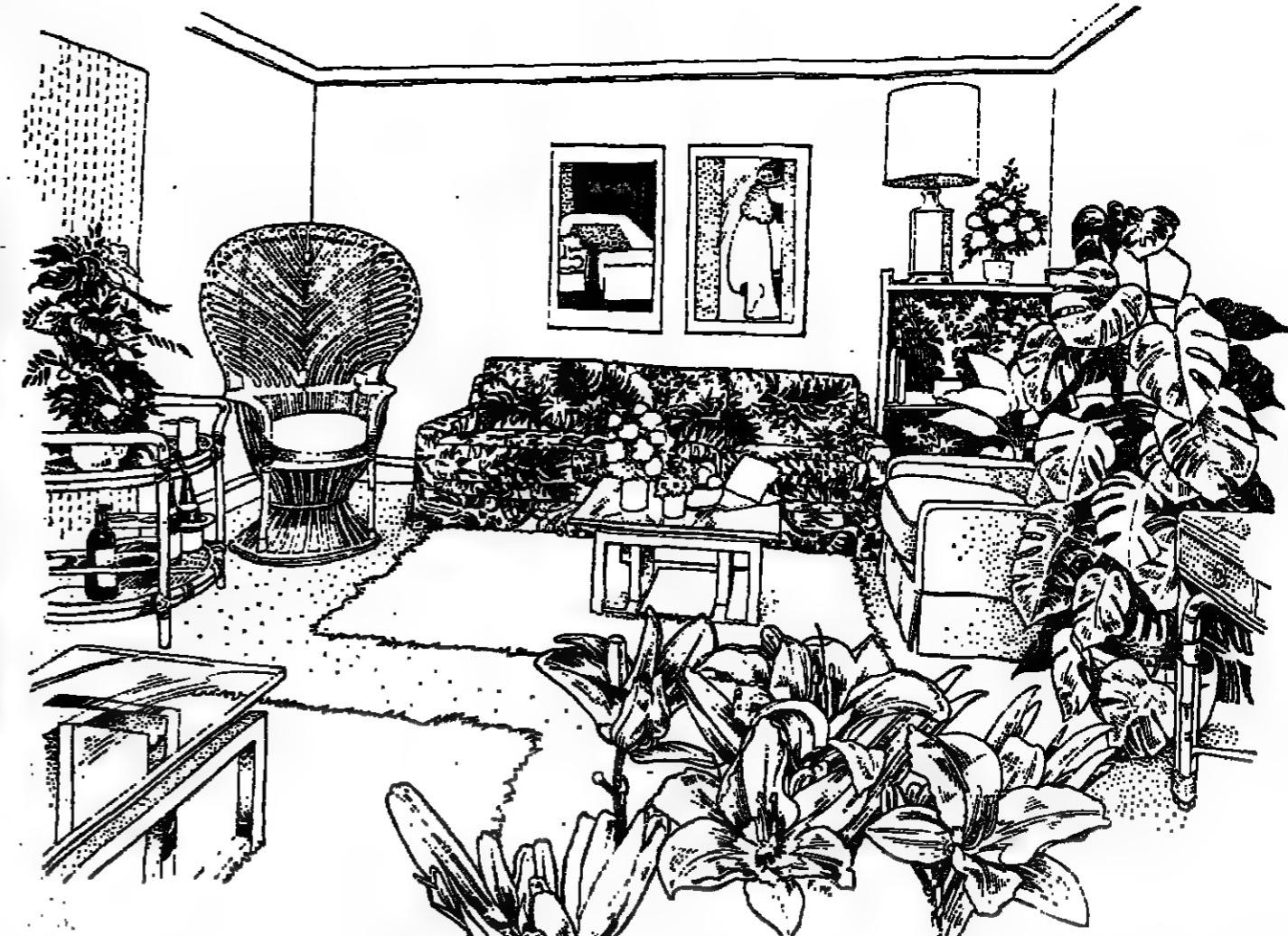
Above is a photograph showing the dining-end of my all-the-year-round summer room. It features furniture by Quilicane and Pfeff. Right: a drawing of the main seating-area, with Collis and Hayes' jingly fabric-covered sofa, Croxley's York carpet and the whole effect is softened by plenty of white Flokati rug and green plants.

of the cushions, which sells for terne fabric. Having felt that £6.48 a metre, both can be the fabric was just right I then discovered the virtues of the sofas it covered.

The sofas and chairs, by Collis and Hayes, are very simply and classically designed, and are very comfortable; but they have one great advantage—though they look beautifully tailored and upholstered the covers are in fact loose and can therefore be removed and cleaned as often as you like. I chose one three-seater sofa, one two-seater, both covered in the jingly green and white print, but the single chair I had covered in a plain matching toning green. Price of a single calico-covered chair starts from £123, a two-seater sofa starts from £191, a three-seater from £253. Loose-covers are extra and start at £65 for a low-backed chair.

I saw the room as more than just a sitting-room—I wanted it to be a retreat for the whole family, less formal than a drawing-room, more peaceful than a general living-room, so I allowed plenty of soft seats just for sitting, a table and chairs for informal eating, as well as a small writing-desk where perhaps the woman of the house will make out her lists and gain a moment or two to herself.

To complete the garden-room atmosphere, I decided on cane furniture. There is now a great deal of cane furniture in the shops to choose from, but in table—officially it is designated



and dining-tables need shelves china for the dining-table, nearby so that bowls of fruit Francis Kyle, who used to run and platters of cheese have an exciting gallery in Soho is somewhere to rest upon, so I now starting up his own gallery in two free-standing Pfeff lery and supplied some beautiful and chrome shelving fitted prints by units, fitted with smoked glass Ann-Marie Le Quesne, who shelves. They each measure uses a very individual colour spectrum for her work—very bright, primary colours are juxtaposed in a startling, but refreshing way, so that colour is used rather in the way that a child might do it, but applied with the sophistication of an adult. These prints are all £45 each, ready framed, and are available for the moment directly from Francis Kyle at 93, Ashworth Mansions, Elgin Avenue, London, W8. From November 14 they will be in his new gallery at 9, Maddox Street, London, W1.

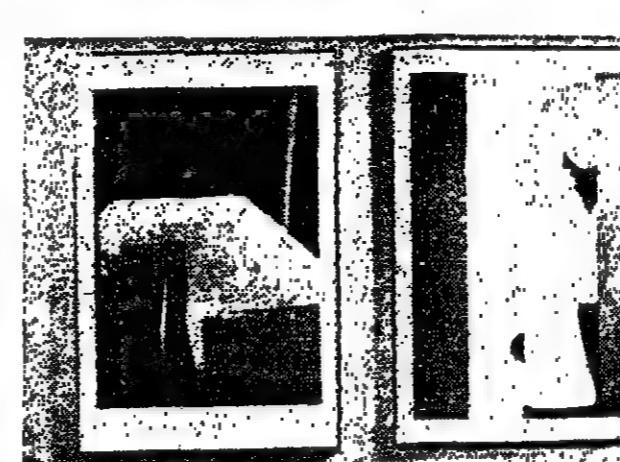
Fleming Munroe provided a mobile drinks trolley (£98.50) and a corner shelf unit (£72.50) both in rattan, for holding plants, bottles, magazines and other paraphernalia. Two glass tables, again by Pfeff in rattan and chrome, cost £198 and £185 respectively, and allow family and friends to have somewhere to put down their glasses, coffee cups or books. Rattan blinds were chosen to give the illusion of sunlight filtering through.

Now the room only needed finishing touches—masses of plants, of course, to give that really bower-like feeling. Wedgwood, Coalport, William Adams and Crown Staffordshire supplied a marvellous selection of cachepots to hold the plants. Burgess and Leigh supplied their lovely white embossed

maps is not the place to go for a small, carefully edited selection of one person's exquisite taste—in other words, it is the direct opposite of a shop like Aram Designs or Co-Existence. At Maples you will see everything, from the good, even the exciting, through to what I consider dull, pretentious and even vulgar, all cheap by jowl. By the time you have stalked its many acres you will be in need of a stiff drink but you'll certainly be a lot wiser about what is on the market and what your own tastes are.



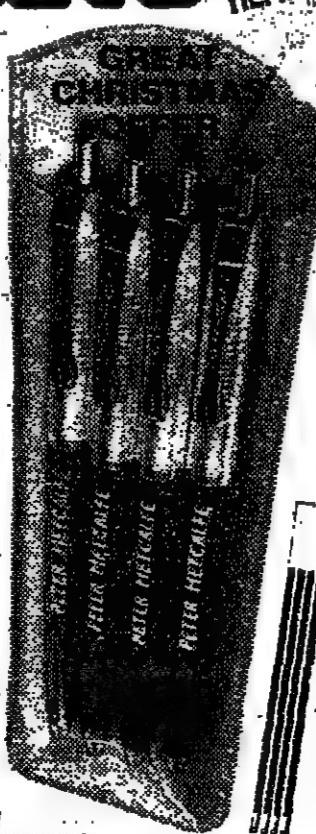
A small section of Osborne and Little's Willow wallpaper



A photograph of two of Ann-Marie Le Quesne's stunningly cheerful prints from Francis Kyle. She will be one of the artists whose work he will be showing regularly at his new gallery at 9, Maddox Street, London, W1.

## PERSONALLY NAMED Scripto PEN SETS

PLUS FOUR REFILLS



- ★ Quality durable pens. All silver metal tops, plunger pocket-clips and writing tip
- ★ Four pens (2 blue, 1 black, 1 red ink)
- ★ Each pen personally named in permanent silver leaf (name same)
- ★ In attractive pocket wallet
- ★ Inclusive of post, packing, VAT
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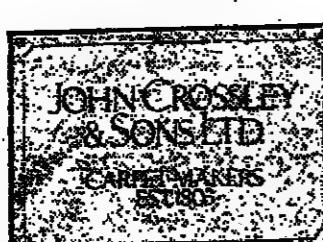
Write clearly names required in BLOCK CAPITALS

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2	7
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## WHY IS IT ANTIQUES LOOK SO GOOD ON CROSSLEY?



CARPETS AND FABRICS

ESTABLISHED 1830

A lasting tradition.

## Mellow foods

BY PHILIPPA DAVENPORT

SUMMER is definitely over now. End of season tomatoes are being sold off cheaply. Pumpkins are appearing in the shops. So are fresh supplies of excellent young leeks, watercress, root vegetables, nuts and plenty of game. As the days grow shorter, my need to have my friends around me grows stronger. This is the time of year I like to have frequent, easily informal supper parties; it helps to keep depressing thoughts of winter at bay.

### SUGGESTED MENUS

- Cheese aligrettes
- Pigeon en gelée
- Rice, green pepper and watercress salad
- Pumpkin pie

- Paella
- Tomato and watercress salad
- Nutcracker pudding

### PIGEON EN GELEE

This is, in effect, a gamey but not too expensive version of brawn. Poach three pigeons, breast downwards, in a large pan with four pigs' trotters, the zest of two lemons, a sprig of thyme (preferably lemon thyme), the stalks from a bunch of parsley, two bayleaves, two dozen black peppercorns and enough water to cover generously.

When the pigeons are tender (this usually takes 1½ hours), lift them out of the pan with a slotted spoon. Cover the pan with the lid and let it continue simmering gently for a further 2½ hours to extract maximum flavour and gelatine from the trotters. As soon as the pigeons are cool enough to handle, skin and bone them and discard any shot. Return the carcasses and skin to the pan together with the juice of two lemons so they add their flavour to the stock.

Strain the stock, degrease, and reduce to about two pints. Season it generously with salt and add more lemon juice and pepper if wished. Strain the stock again and leave until quite cold and approaching setting point. It should be golden in colour and syrupy in texture.

Gently stir in the pigeon meat cut into slivers, together with 4-6 oz lean ham cut into matchstick strips and some coarsely chopped parsley. Turn the mixture into a three-pint-welfed mould; a pudding basin will do, but better from a slicing point of view I think, is a 2 lb loaf tin. Cover and refrigerate until set firm. Unmould and garnish with olives. Served with a rice, green pepper and watercress salad (the dressing should be a mustardy vinaigrette), this is enough to serve 6-8.

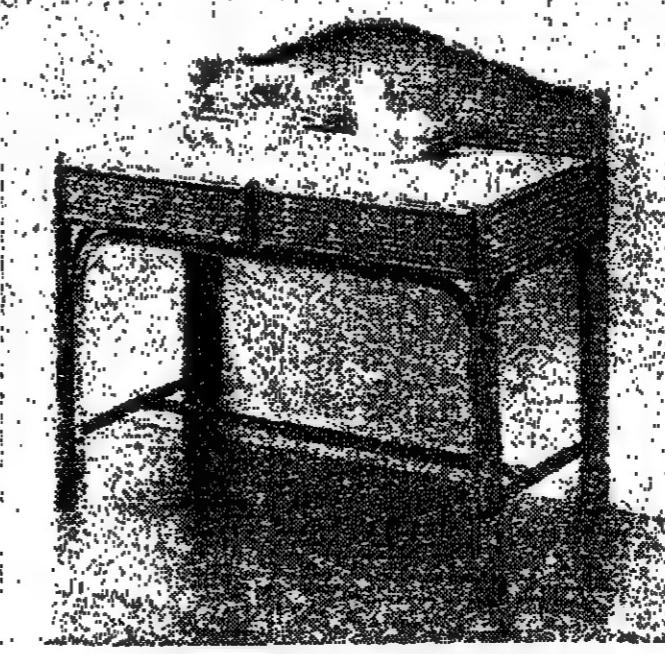
### NUTCRACKER PUDDING

Unmoulded puddings always make a handsome addition to a buffet table. This one is deliciously flavoured with hazelnuts, cinnamon and coffee, and it is very easy to make.

Toast 6 oz shelled hazelnuts, grind very coarsely (I use my meat mincer) and spice with cinnamon. Brush a 3½ pint pudding basin or deep soufflé dish with oil and dust with a little caster sugar. Beat five large egg yolks with 3 oz caster sugar until pale, creamy and thick; blend in the spiced nuts.

Whisk five large egg whites until very stiff, stir a tablespoonful or so into the nut mixture, then gently fold in the remaining egg whites. Turn into the prepared basin, cover with oiled and pleated foil, tie securely and steam for 50-60 minutes.

Cool, then chill the pudding very thoroughly—it will sink a little as it cools. Loosen with a palette knife and turn out onto a serving dish. Cover the pudding completely with half a pint of cream which has been flavoured with a little very strong black coffee, lightly sweetened with icing sugar and softly whipped. Decorate with a few whole hazelnuts.



The small cane desk-cum-dressing-table from Quilicane

## Postscript

Some readers may remember autumn sale as a good way the How To Mend it series of buying some of their Christmas presents early—this ago. It was highly popular at the time and I still get letters asking for old addresses. It starts but they also get high-quality presents at lower than normal prices.

This year Elizabeth David (for those who have not yet discovered the shop, specialised in fine cookware at 46, Bourne Street, London, SW1) is starting its autumn sale on Monday and it runs until October 28; it is open every day except Sunday, from 9.30 to 5.30. There is also an efficient postal service.

They say that they use the best rushes they can find and add some additional internal padding (of rushes) to give longer service. The charges for the rushings are fairly standard—sets up to about 14 ins by 14 ins cost £1 each. Estimates for extra repair work are given before the work is undertaken. Combined collection and delivery charges are £1 per seat, for up to 50 miles, 22 per seat for between 50 and 150 miles and £3.50 for over 150 miles. But if you have more than six, they will be collected and delivered for the price of six chairs.

It normally takes about four weeks after collection for a chair to be redelivered and all collection and delivery dates are notified in advance.

There are gratin dishes, white French porcelain ramekins, coffee bowls, casseroles—in fact all those interested in cooking should find something they either need or want.

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If you would like to find out how to give a really satisfying gift this Christmas, write in for our free list of Gift Boxes from F.T. Dept. Food Halls.

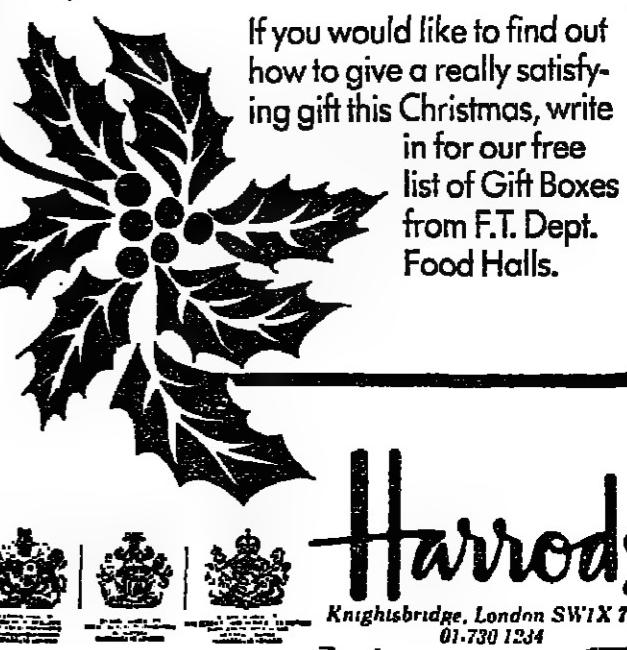
## Harrods Gift Boxes Of Food And Wine

Harrods Gift Boxes from our Food Halls make superlative Christmas gifts.

There are hampers and boxes of all sizes simply bursting with tempting food and wine for the festive season, to suit many different tastes and requirements. Prices range from The Singleton at £14.50 to The Supreme Hamper (made of real English willow) at £385.

There are also Wine and Spirit Gift Cases containing skilfully chosen selections for the connoisseur. Prices for these range from The Port and Sherry Case at £5, to The 'Linen' Chest, containing a fabulous collection of wines and spirits, at £500.

There are many other Gift Boxes to choose from, including several which are specially suitable for export. Large orders present no problem, whether for home or overseas.



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01-730 1234

## ARTS

## Tears, idle tears

Thackeray is much harder to do on radio than Dickens. Markham do sound terribly alike. Whereas Dickens, to put it again, play Becky is splendidly difficult because of all characters in action each of us probably has the clearest idea in our mind's eye what Becky Sharp sounds like and no actress will be able to come near her. On the other hand, there's a wry smile or a sigh of assent, I suppose, which was launched as the Sunday night drama serial this week (Radio 4, October 1), and introduced by Professor Philip Collins in *The Title is Such a Good One* (Radio 4, September 27). Thackeray intrudes constantly, intervening in the action just as it reaches a climactic point. He controls our attitude to it, and his characters by the urbanity of his commentary. Ideally on radio

RADIO  
ANTHONY CURTIS

the touch should be incomparably light and deft, the performances full of little miracles of timing, and all tendency to boffyness should be resisted. If we are going to get the counterpart in radio terms to the experience of reading the book.

So far to judge the show most unfairly by only one episode, this has not happened. The slapstick has been played up and the subtlety has been played down. Miss Aleck Merton has got off to an unfortunate start as Thackeray by being brought in at all the wrong moments. The book you remember starts with a splendid piece of dramatic action, the joint departure of Amelia and Becky from Miss Pinkerton's Academy in Chiswick, and culminates in Becky's contemptuous flinging of her leaving present, Johnson's Dictionary, from the coach back in her teachers' faces (she must have had a jolly powerful throw). Only then does the author address us directly and not until some 700 pages later at the end of a very long novel does he bring out the image of the puppets. It is his parting from the puppets that real people scarred by time he depicts that are merely puppets. On radio the adapter, Michael Kitterman makes the puppets show the main figure of the whole book and he gives Thackeray a long speech in this vein before we have had any dramatic action at all.

Another problem seems to be the two girls. I hate to say it,

**CHESS SOLUTIONS**  
Solution of Position No. 236  
1... B x RP; 2 R x R; R3; and White resigned because of P-N mate.

Solution of Problem No. 236  
1... B-R8; 2 B-K4; 2 B-N8; N moves; 3 Q-KN2; 4 B-N6; B-K8; 2 B-Q4 and 3 N-N6. If 1... B-B2; 2 B x B-Q1 (threat 3 Q-KR1); N-Q8; 3 Q x B.

Ireland News, 12.15 am News and Weather for Northern Ireland.

## BBC 2

9.05 am Cut and Thrust. 9.30 Multi-Coloured Swap Shop.  
12.30 pm Grandstand: Football Focus (12.35); World Valley-ball Championships (1.00); Racing from Chepstow (1.20, 1.30, 2.20); Boxing (1.40); Alan Richardson v Lee Pickett; Mount Racing from Bronte Hatch (2.45, 2.55); Show Jumping (3.55) The Horse of the Year Show: Rugby League (3.50); Farslays Lancashire Cup Final: Widnes v Wokington; 4.40 Final Score.

8.10 News.  
8.20 Sport/Regional News.  
8.25 Noel Edmonds' Lucky Numbers.  
8.20 Dr Who.  
8.45 Larry Grayson's Generation Game.

7.40 All Creatures Great and Small.

8.30 Little and Large.

8.35 Horse of the Year Show.

10.20 News.

10.30 Match of the Day.

11.15 Parkinson.

All Regions as BBC-1 except at the following times:

Wales—8.45 am Cut and Thrust.

8.30-8.35 Wt'l Ch; 9.20-9.25 Sport/News for Wales.

Northern Ireland: 9.20 am Weather for Belfast.

Scotland: 5.45-5.50 pm Scoreboard.

England: 5.20-5.30 pm Weather.

Northern Ireland—5.05-5.10 pm Scoreboard.

Scotland—5.20-5.25 Northern

ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at the box office.

## OPERA &amp; BALLET

COLISEUM. Credit cards. 01-240 5258.

ENGLISH NATIONAL OPERA. Tel. 01-526 1161.

Tower Hotel, 100 Newgate St., London EC1. Tel. 01-240 5258. (Bargain price tickets available)

COVENT GARDEN. Tel. 01-906 6803. (Gardens)

THE ROYAL OPERA HOUSE. Tel. 01-526 1161.

DES NISBENNEN. Tel. 01-526 1161.

ROYAL WELSH THEATRE, CARDIFF. Tel. 01-200 1572.

SAFETY BALLETS. Tel. 01-526 1161.

Today & Thursday 7.30 Rhyme and Reason.

Friday & Saturday 7.30 Los Patineurs.

Intimate Letters. Grand Prix Ballet called.

Wednesday 7.30 The Rake's Progress.

LAST TWO WEEKS.

ARTS THEATRE. Tel. 01-526 2112.

ADOLEPHI THEATRE. Tel. 01-516 7614.

LAST 2 WEEKS. MUST END OCT 14.

EVERYMAN THEATRE. Tel. 01-526 4000.

HERE'S BRENDAN IRISH. Tel. 01-526 4000.

THEATRE OF MUSIC. Tel. 01-526 4000.

THEATRE OF THE YEAR. Tel. 01-526 4000.

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## THEATRES

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ROYAL SHAKESPEARE COMPANY. Tel. 01-526 4000.

THEATRE OF THE FRINGE. Tel. 01-526 4000.

TONY ANTHONY COCKTAIL. Tel. 01-526 4000.</

## ARTS/COLLECTING

Beside  
the  
easid

M LAUGHTON'S parents ran Victoria Hotel in Scarborough, and afterwards theation. Tom was the middle of three. His older brother was sent into hotel but broke loose to go on stage, and established him in a career that has become art of theatrical history. Tom Frank also duly went into hotel business. When at the of 55 their father died suddenly, Tom Laughton found self in charge. That was in 4. "Young Tommy" as had been known to the staff, became "Mr Tom." With plenty support from mother, a keen wife, and a loyal crew, he still traces of his long and glorious reign: the sweeping curves of the double staircase in the entrance hall, the huge fronted ballroom, the profusion of bars with glittering mirrors and padded plushy counters. Nor has the hotel been abandoned by the theatre. I noted Mr. Danny La Rue holding court in the lounge. In which at this time was not a single room for vintage sundry and claret. He also practice in the interior decoration of the hotel some buying the odd picture for self when he had any spare which at this time was not however by 1935 he was able party frock, her head hardly

to negotiate a substantial loan higher than the champagne that enabled him to purchase a bucket, approached him with an hotel of much bigger scope in open autograph album I felt that commanding position on the something of the Laughton sea-front, the Royal Hotel. His touch still survived. flair for design; his culinary expertise, and his desire that went to live in Antibes where his customers should have easy he wrote his memoirs after access to him as their proprietor some friendly prodding from Graham Greene. He called leading hotels in the North of them *Pavilions By The Sea* and England to which gratified they first appeared as a hardback last year; now they have reappeared in paperback (Robin Clark, £1.50). I recommend the book as a fascinating four-star read, not only for the insights it gives into the hotel trade in the days before the international tourist explosion hit us, but also for its picture of the author as a connoisseur of wine, food and contemporary painting, as a fisherman for trout, salmon, and tunny, as a lover of France and Scotland, as a wartime army catering chief, and if that were not enough for one lifetime he now turns out to be a natural writer. Some people have it all.

The world first discovered that Enid Bagnold was a natural writer in 1918 when at 29 she published *A Diary Without Dates*, an account of her work as a VAD nurse at the Royal Herbert Hospital in Woolwich where she had gone at the outbreak of the war in 1914. The short book with its poignant and perceptive glimpses of the harrowing life of the wards, the men she tended, and the regular nursing sisters she helped, has shamefully been allowed to languish out of print for far too long; now it has been resuscitated in paperback by Virago at £1.50. It is well worth reading as a feminine footnote to the more famous recollections of life at the Front by Blunden, Graves and others.

In her Autobiography (1969) Enid Bagnold tells how she kept this Diary for her private perusal. It was her friend Antoine Bibesco to whom she showed it who suggested she try to get it published. She then sent it to William Heinemann who met her, said he liked it, and published it. As a result the Daily Mail carried a leader on the unfeelingness of hospital routine: within half-an-hour the author was summoned to the Matron's office at the Hospital and given the sack.

With such a craze for motor-ing, it is surprising that it took the toymakers of Europe and America so long to get round to making toy motor-cars. The reason for their apparent tardiness may have been that automobiles remained outside the immediate experience of most ordinary children: and children tend to prefer the familiar to the novel in their model play-things.

Mr. David Pressland, whose recent *The Art of the Tin Toy* has become the authority on the subject, dates the history of toy cars back to 1900 when the firm of Marklin introduced them into its catalogue. I can, however, contribute a new piece of evidence which places the earliest tin toy motor-car in Paris in January 1889. A throw-away sheet of *Nouvelles Sciences* issued by the French magazine *La Nature* on January 19, 1889, published a picture of a rather primitive "Place Automobile de 1889" which it said was already on sale in Parisian toyshops. The writer regretted only that the toy had not been available in time for the 1889 New Year holiday.

A simple toy of pressed metal, the car had rubber tyres and a rather two-dimensional driver perched up on the front. It was driven by a twisted rubber band—a means of propulsion which does not seem to have achieved general favour among the first makers of toy cars.

By 1902 when the firm of the Gebrüder Bing of Nuremberg, which dominated the world market of quality metal toys in the years before the First World War, introduced motor cars into their catalogue, there

was a choice between steam representations of real car types, driven and clockwork models, such as were provided by the American firm of Ives, with Dinky Toys might make useful

for the sort of cheaper their "Tootsietoys" and their buys for budding car collectors.

**BRIDGE**  
E. P. C. COTTER

HANDS require the most timing if the contract is fulfilled, others depend some entirely fortuitous circumstances, as we see from two deals which led to rubber bridge. Let us first at the hand in which the declarer enjoyed fortune:

N.  
♦ Q 10 7 6.  
♥ A 9 4 2.  
♦ 9 7 5.  
♦ K 10.  
E.  
♦ 8 3 2.  
18 7 3. ♦ K 5.  
5. ♦ Q 8 3.  
0 6 5. ♦ J 7 4 3 2.  
S.  
♦ A K J 9 8.  
♥ Q 6 5.  
♦ 10 4 2.  
♦ 4 8.

th dealt at a low score opened the bidding with 1, West raised to three and South went four. cannot criticise North's spades—we would all the same bid—but it tells me that the double is a slight overbid. t had to find a lead, and d that the singleton or a lead from either suit would be dangerous. East covered the Queen with his King, and South ducked. This hold-up is obligatory. Without it, he will be forced to ruff a heart before it is convenient.

Again, the seven would been safe, but West East switched at trick two to start with the Knave, the six of diamonds, and top of an imperfect South's Knave lost to the Queen. Taking the heart continuation, the declarer s would have been all cashed the club Ace, ruffed a club, and followed with Ace and King of trumps. A diamond was discarded on the club King, to find East with the and another club was ruffed. Now at the right moment, cashed the Ace, ruffed a club, and cut his last diamond from hand.

Whether East ruffed or defence could take three discarded, the contract was in the suit, but whichever delivered:

South dealt with both sides vulnerable and bid one spade to which North replied with two clubs. The opener now rebid two diamonds, his partner gave jump preference with three spades, a bid which promises only three-card trump support, and South bid the game in spades.

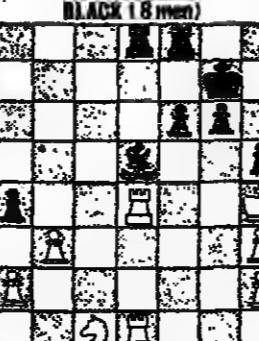
West led the heart Queen with his King, and South ducked. This hold-up is obligatory. Without it, he will be forced to ruff a heart before it is convenient.

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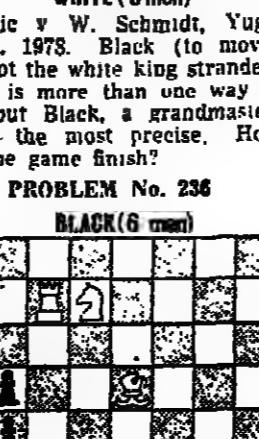
Whether East ruffed or defence could take three discarded, the contract was in the suit, but whichever delivered:

## POSITION No. 236

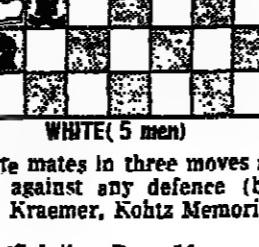
BLACK (8 men)



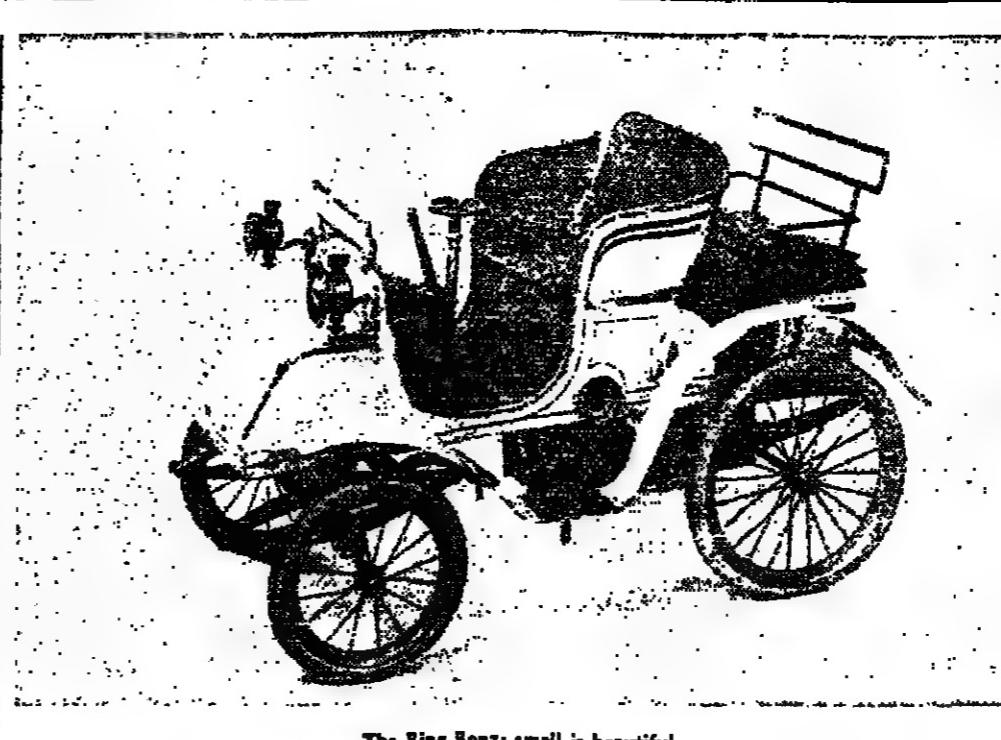
WHITE (8 men)



WHITE (5 men)



Solution Page 14



The Bing Benz: small is beautiful

## Some early models

The horseless carriage was a toy marketed by Lehman motto "Ives toys make happy boys." The Citroen company practical reality in the 1880s, Brandenberg. The more com- and by the '90s the automobile plicated and essentially less was an established industrial realistic steam car seems to product. Cars were included in have been fairly soon supplanted the 1886 Paris Salon de Cycle, ted.

The Bing cars were beauti-fully designed and made, and definitely meant for the class market. They came in different

## COLLECTING

JANET MARSH

sizes, and in 1903 the largest model of the "Phantom Pattern Motor Car" rather like the one illustrated here, cost 28/- more than the weekly income of many British families at that time. Still, it was "fitted with extra strong Clockwork, the Car running in an original zig-zag track, with Horn sounding Pip! Pip! nickel plated wheels with Double Spokes. Pneumatic Indiarubber Tyres. Two Lamps and Cushioned Leather Seats. high class finish, finely enamelled and lined as illustrated."

As well as the Lehman cars, cheaper models were also imported to Britain and America from France, where the most famous maker was Fernand Martin. In American and British toy catalogues, Bing and Lehman models were proudly advertised by name until 1914 when they were more cautiously described as simply "Imported". After the war the German toymakers never entirely recaptured the old markets. Bing, who had supplied jigs—with a minimum of cut fingers and lead poisoning—when a collector paid £370 for to—the children of the world van originally sold in 1934 for four-pence, were swallowed up by other firms. Lehman and Brandenberg vanished into the mysterious East, after the Second World War.

By 1920 boys were demanding more accurate representations of real car types, promises no such record prices, driven and clockwork models, such as were provided by the though the bulk lots of assorted friction flywheel drive was American firm of Ives, with Dinky Toys might make useful used for the sort of cheaper their "Tootsietoys" and their buys for budding car collectors.

Toys are a booming area of the collectors' market, with the regular Collectors' Sales at Phillips' Marylebone saleroom, Christie's South Kensington and Sotheby's Belgravia as the happiest hunting grounds. Prices for choice specimens are high. The Bing model of a Benz car illustrated—almost mint in its original cream, red and gold enamel—was sold by Phillips a fortnight ago for £1,100. A Bing London bus bearing advertisements designed for the English market ("Harry Lauder at the Tivoli") was sold earlier in the year at Phillips for £1,250.

Phillips also established the auction record for a Dinky Toy, when a collector paid £370 for

—to the children of the world van originally sold in 1934 for four-pence. (Inflation had already taken hold by the late 1930s, however, when the price of this model rose to sixpence).

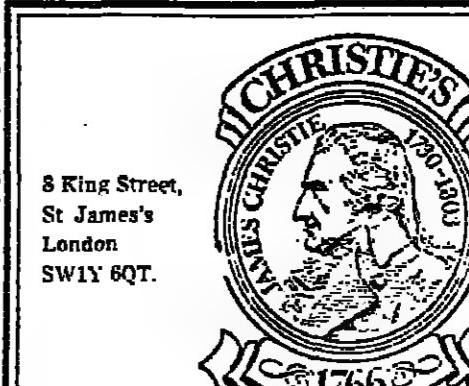
Phillips' sale of several hundred Dinky toys and their contemporaries on Tuesday

was a choice between steam representations of real car types, promises no such record prices, driven and clockwork models, such as were provided by the though the bulk lots of assorted friction flywheel drive was American firm of Ives, with Dinky Toys might make useful

used for the sort of cheaper their "Tootsietoys" and their buys for budding car collectors.

Further Catalogues for Sales of Coins and Medals are now in course of preparation. Collectors desirous of selling should contact Glendinings & Co.

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EXPERIENCE AND EXPERTISE... 352



Charles West Cope, R.A.: Poor Law Guardians. Board Day Application for Bread, signed and dated 1841, 40 in. by 60 in. (101.5 cm. by 154.8 cm.). Sale, Friday, October 13.

Charles West Cope, R.A. (1811-90), was noted for his paintings depicting contemporary and historical genre. On Friday, October 13 at 10.30 am. in Christie's Sale of Fine Victorian Pictures, he is appropriately represented by the illustrated picture, which is an interesting early example of the great Victorian social conscience painter. We learn from Cope's Recollections that while on honeymoon he was inspired by a visit to a meeting of the Staines Board of Guardians. Having made some sketches of several of the members and applicants, he decided to make the event the subject of his next painting. The picture takes on greater meaning when we are given the identity of various figures on the Board: Harrison 'a jolly square, warming his back' in front of the fire and Blithwaite 'a roué Captain trimming his nails.'

Cope, along with so many other popular Victorian painters, was greatly influenced by the current liberal movements for social and legal reforms and his contemporary document found an appreciative response in the public when it was exhibited at the Royal Academy in 1841. Cope was grateful to *The Times* newspaper who cited his picture in an article on the Poor Law, as 'exemplifying' their opinion on this critical subject. This free publicity was a significant factor in establishing Cope's reputation. For further information on this sale and on Victorian pictures, please contact Simon Dickinson at the address above.

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# FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY  
Telegrams: Finantime, London PS4. Telex: 286241/2, 283897  
Telephone: 01-248 8000

Saturday October 7 1978

## Leading from weakness

**MR. CALLAGHAN'S** wages policy stick. The emphasis on policy was decisively defeated. Sanctions is also political: at the Labour party conference Liberals believe in a stern pay in Blackpool; the market fell policy, and the Prime Minister sharply. Mr. Callaghan made a will in effect challenge them to firm speech and said he would support the tougher party.

A Prime Minister making a gambler's throw on a rigid policy, confronting a trade union movement led by new and insecure men responding to shopfloor pressure, and reinforcing it long ago, but in most places — Vauxhall makes triumph — these men may not seem very likely to achieve a peaceful compromise. This need not mean that the country is about to come to a standstill. A Labour Prime Minister trying to enforce restraint at a time when real incomes have risen sharply may well stand a better chance of limiting the destruction caused than did a Conservative Prime Minister at a time when the national disposable income was falling: and Mr. Callaghan's policy is not in any case as rigid as it looks.

The productivity loophole, according to some trade union officials, is as wide as the bargaining skill available. This means equally that we cannot hope for the kind of outcome which would follow from an actual five per cent norm — a further sharp reduction in inflation. The Prime Minister has limited his own ambition to staying in single figures.

The implied admission that 5 per cent may well turn out to mean a good deal more rather gives the lie to Mr. Callaghan's claim to be the country's personal bulwark against higher inflation. The Prime Minister has threatened that he would fall back on fiscal and monetary restraint but this may appear as simply another aspect of a struggle against the Government for higher real wages. The lesson which it seems has still to be learned is that high money claims — even if followed by monetary ease — are the enemy of growth, and thus of both real wages and employment. King Caput had the wisdom to try to convince his courtiers that there were forces beyond the control of a mere ruler. Mr. Callaghan, posing as Father Nature in order to get re-elected, encourages militants to miss the point.

Mr. Callaghan may still hope that while he lost a battle at Blackpool, he can win the war for an orderly wage round, or whether the Government imposes them. Participation would no doubt be preferable; but supposedly moderate leaders of failing that, the Government is convinced that the ruthless use of public sector purchasing either tap new sources of power and of discretionary strength, or go. The obstinate assistance will convince employers that it is in their interests to make Government likely to outlast Mr. Callaghan.

### Letters to the Editor

#### Profits

From Mr. B. Counsell Jr.

Sir.—One of the greatest anomalies today is that the amount of "profit" is relating to the size of wage demands.

Profits can already have been used up in replacing previous losses, or in generating investment moneys already ploughed back into the business to ensure the future of the workforce.

One cannot help wondering if, instead of a supporting inflation adjusted statement with its esoteric methods, our companies should not go back to a simple cash statement? This should assist worker participants and, it seems, the Press and unions to understand the position more clearly.

Profits without money are like bees without honey!

Bernard G. Counsell Jr.  
10, Lake Road,  
Fairhaven,  
Lymington, Hampshire,  
Lancashire.

#### Productivity

From Mr. W. Grey

Sir.—Perhaps sensing that he is fighting a losing battle on the worker shareholding front, Mr. B. A. Cole has now (October 4) dragged in the red herring of insider dealing, doubtless in the hope of thereby tarring both with the same unsavoury brush. By thus backing away from the merits of the case, however, he has come close to admitting defeat.

In an earlier letter (September 28), Mr. Cole had been sure that "still underestimate the value of worker shareholdings" as a direct performance incentive. His latest has merely convinced me even more that he, for his part, is caught up in the opposite error. Happily, the opportunity we have all long awaited for putting these conflicting theories to a practical test is ready to hand — I only those presented with it were, unlike Mr. Cole himself, prepared to snap it up.

Yes, if only Ford management and workers agreed a basic pay settlement within the Government's (now perhaps to be

revised) guidelines, and at the same time negotiated a productivity deal whereby part (which could be renegotiable annually) of the workers' earnings was directly and genuinely geared to the company's (i.e., their own) performance, and so, as they should, other companies followed suit to their potentially equal advantage. We all might really, at long last, get somewhere.

Meanwhile, pending that momentous anti-divisive decision now within our grasp, please let us not make it more difficult than it appears to be by continuing to do some of what I call perfectly decent issues with another on which even learned counsel will sensibly agree to differ.

W. Grey  
12 Arden Road,  
Finchley, N.3.

#### Strikes

From Mr. A. Scott

Sir.—Governments, in varying degrees, seem to want to set limits for pay rises, but unions want to be in the market place for what they can get. Very well, but this free market should be self-sufficient. People should be able to earn more than they can afford. There is no reason why the rest of us should help finance the operation. Most of us do not strike, yet are milked because somebody else happens to want something. If they strike and require public assistance, it should come as a loan, to be repaid as a lump sum or along with PAYE. One consequence of this might be more thinking, less strikes and less inflation.

A. H. Scott  
102 Beeches Road,  
Chelmsford, Essex.

#### Wages

From Mr. J. Stride

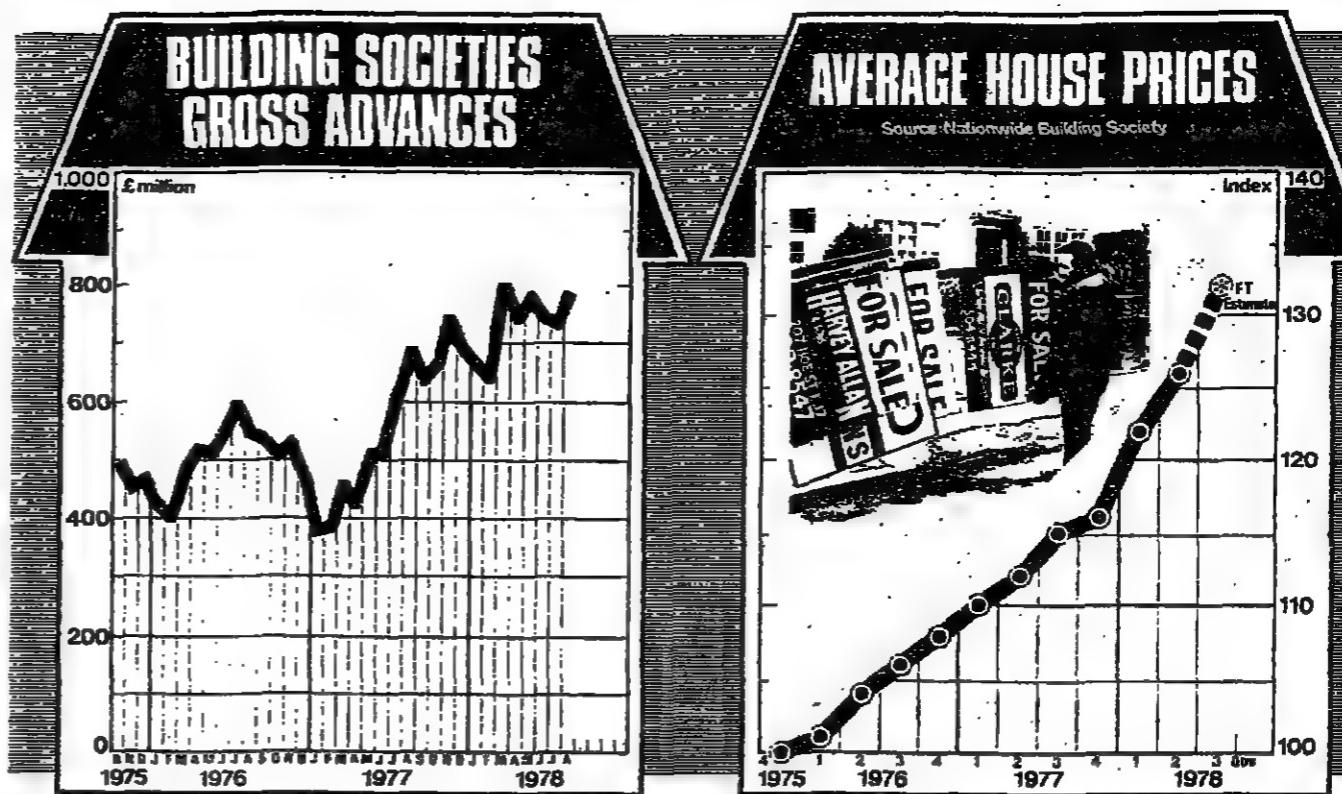
Sir.—It is clear that the private sector has an interest in granting substantial wage increases. If a claim by private sector unions succeeds, the members will be placed in an improved financial position. One consequence if as a quid pro quo those presented with it were, unlike Mr. Cole himself, prepared to snap it up.

If a claim by private sector unions succeeds, the members will be placed in an improved financial position.

Incidentally, the size of the black market indicates the un-

# The daunting waiting list for mortgages

BY MICHAEL CASSELL, Building Correspondent



at one stage to contain house price increases to below the rise in average earnings, now running at approximately an annual rate of 16 per cent. But the prospect of price rises of more than 20 per cent has not, so far as any developed into anything remotely approaching a political issue and Ministers will derive considerable satisfaction from that fact alone.

Some societies claim that the present difficulties in the housing market have been created by the Government's action. Potential house buyers, they say, were encouraged to enter the market because of fears of a home loan shortage, and all that has happened is that queues for mortgages have lengthened while prices have continued to rise.

The major talking point now is what will happen in the next few months. Most societies, whatever their attitude to the benefits or disadvantages of controls, are adamant that they should not be permitted to continue for much longer.

The societies are also concerned about the effects which a prolonged period of mortgage restraint could have on the future for private house building. Contractors are already suggesting that uncertainty over sales prospects for 1979 will lead to another slump in private sector output and that starts could return to the 1977 level of 135,000 against an estimated 165,000 for 1978.

This year at least has been a good one for the private house builder, with new house prices rising by an estimated 20 per cent plus and margins looking more healthy than they have done for four or five years.

From the building societies' point of view, if they do now begin to experience an upturn in the inflow of funds and find themselves capable of raising lending to help bite into the backlog, pressure on the Government to allow them to go ahead can be expected to increase.

For the Government, there remains considerable doubt about the outlook for house prices. With a general election at least temporarily postponed, the resolve of Ministers to prevent any significant upsurge in prices before the Government goes to the country seems certain to remain as strong as ever.

The situation should come to a head in the spring, when the housing market reawakens after its winter rest. Societies could be champing at the bit to start clearing away the long list of properties which everyone wished to sell. The Government may find itself in a position where the difficulties in obtaining a mortgage prove as potentially unpopular as a period of substantial house price increases. It may well be that the chances of continuing co-operation between the two sides will then be put to the test.

### Exasperating wait

But despite some early signs of an improving outlook, many homeowners remain faced with a long and exasperating wait.

Continuing talks with the Government have resulted in one marginal relaxation of the guidelines but the straight-jacket remains.

The movement as a whole

has been justified, accepting that a month compared to the more purchase by those societies more of their overall lending

of funds, have been failing to help make the money go further.

Opinions vary about whether or not the Government should have intervened in the first place. Some building society

executives believe that a tem-

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Financial Times Saturday October 7 1978

**Which?**

Today is the 21st anniversary of the movement now known as the Consumers' Association. David Churchill examines its past achievements and the problems facing it into the 1980s

# The consumer movement's coming of age

**HE CONSUMER** movement is seem in a stronger position than ever before adequately to fulfil its role of informing consumers about the comparative merits of various products and campaigning for more protection on their behalf. The consumer movement in Britain, however, is currently at a crossroads. In broad terms it can be said that while the 1960s were a period of growing awareness by the public and government of the emerging consumer, the 1970s have been marked by more positive government action in building a legislative framework for consumer protection. But at the recent consumer congress in Edinburgh the main question that emerged was: what role should the movement aim for in the 1980s?

The National Consumer Council which—although set up and financed by the Government in 1975—has managed to establish an independent voice, made clear at the congress its belief that the consumer movement should try to establish a credible voice with government and become a third force alongside the CBI and TUC. The Consumers' Association, which has traditionally maintained a conservative approach to such novel ideas, has so far remained aloof.

But if there is now some uncertainty about the development of the consumer movement, 21 years ago it seemed unlikely that such an organisation as the Consumers' Association would ever get off the ground. Comparative product testing along the lines carried out since the late 1930s in the U.S. by Consumers' Union—and Michael Young and the others the amount of its budget allocated to campaigning work was merely the surplus left after all other expenses had been paid. Last year it was budgeted for at over £250,000.

Today, almost 600,000 people subscribe to Which? every month and many of these also receive the quarterly supplements, money, motoring, holidays and do-it-yourself. When the association's annual report is published later this month it will show that income this year at £2.25m—is almost £1m more than last year—and the surplus (the association offers not to call it profit) will almost £188,000.

This makes the Consumers' Association the second largest consumer organisation in the world—after the U.S. Consumers' Union—but the British can justly claim to be the most comprehensive in the range of its activities. The association employs about 500—or more than the Government's Department of Prices and Consumer Protection.

In its 21st birthday, therefore, the association would

have come of age. It was felt by plans for the launch of Which? to be too advanced for them. They felt that, despite all the UK libel laws were too strict; such as this was needed and for at over £250,000.

That the Press was likely to be made to work. The boycott publicising such tests, they believed, was at because of pressure from a continual disadvantage to advertisers; and preliminary especially as newer technology advanced products became more generally available for the post-war years.

The exact origins of Which? are surrounded by folklore. But the generally accepted version ascribes the idea to Mrs Dorrie Goodman, a young, newly married American woman who was studying at the London School of Economics. Determined to have a warm house as protection against the English climate, she searched for the British equivalent of Consumer Reports so that she could decide which central heating system to install.

## Market testing

When told that there was no such thing she set about starting one. She and her husband, with Michael Young (later to become Lord Young), and a small group of economists, lawyers, engineers, and a film director established the association and prepared a dummy publication along the lines of the U.S. magazine. But basic market testing of this dummy—simply by knocking on doors and asking housewives what they thought of it—failed to evoke any enthusiasm. Soon activities came as a result of making a surplus from its publishing. Until 1970, for instance,

it returned to the U.S. but

itself might suggest, but over the next couple of weeks even the normal JCB sickness is being excelled. At a cost of some £120,000 the company, still run by the Bamford family but now in the form of 22-year-old Anthony Bamford, is flying in two jet loads of prospective American buyers and treating them to ye old English hard sell.

For years the bright yellow JCB machines have been a common enough sight in ditches and on building sites the world over, but the American market was a major exception. With American contractors taking annually about 20,000 machines which might roughly be said to be rivals of the basic \$15,000 JCB excavator, leader, some 51.8 per cent. of the total world market, it was clearly a gap in the overall business. The Bamford clan moved in in 1976 and notched a modest \$1.2m worth of sales, last year this topped \$10m, and the company is now well on target for \$20m this year.

The first of two sets of Americans arrived in Britain yesterday, some 150 of them from Chicago. The second load will arrive in a week's time. Each will get trips to typical British pubs, Elizabethan banquet nights, tours round the JCB factory and, of course, the now famous JCB circus which puts earth moving equipment through a big-top routine. As a finishing touch JCB plans to apologise for not taking the group to see Buckingham Palace, and has taken a Guards' band to Stafford instead. "We are very tiny American rivals are people like Ford and Case and we are trying like hell to show them why they should buy British and buy us."

Our picture shows JCB Sales managing director Dick Ryeland, with star performer.



called Don Boyd, a focal point you're wrong. It lies in the straight through the lining on of a considerable amount of private UK film investment money at the moment. Boyd is now working on Sweet William, a very English film (but with one American star as an insurance policy), and has several others on the drawing board. At least three are funded and there are a total of 14 in various stages of preparation. With £1m being budgeted these days, this makes Boyd a major film-maker indeed and one of the biggest in the UK.

A successful graduate from the hard, but well funded, world of television commercials, Boyd some time ago attracted the attention of City financial link man Roy Tucker and it is Tucker who says Boyd, has been able to conjure up private support for the film projects. Boyd's enthusiasm for the film business is infectious. "The film business is in for a resurgence. I am very optimistic. We should be bullish about it." One of his arguments that just as British television is following its American counterpart into middle age, so a new generation of film-makers are coming on the scene and that they are being provided with good alternative entertainment.

Even the latest crop of good alternative pictures from the Grade and Delfont concern—a high proportion of pictures that are actually made in America, with U.S. stars—is nice therefore to find an occasional ray of hope. LIKE Goldfinger, you're providing young people with a youthful film-maker board of gold lay in Fort Knox.

Inside, the visitor is confronted by a series of caged compartments, rather like a zoo, harbouring 10-foot-high stacks of the precious metal, glistening faintly in the dim light. But there may also be a few odd piles of gold, worth a million dollars or two, lying casually around like packets in a warehouse waiting to be stored. A risk? Not really. If anyone tried to slip one in his pocket (assuming it didn't crash

Contributors:  
Arthur Sandles and  
David Lascelles.  
Picture: Hugh Routledge

Free shopping service  
Free shopping information

Which? Advice Centre



One of the Association's six High Street advice centres

pounds led to a 15 per cent cut fifth of its total income — on The association's reluctant subscription charges. Both sides. Despite its critics, such scheme is based not so much on moves created disgruntlement; the subscription increase led to a sharp drop in subscribers, and the cuts left staff with the mean that about eight out of ten of the association's members renew their Consumer Council of the 1980s every 10 subscribers each year. Which? — but on concern about maintaining the association's independence and whether, in fact, the total package including the four supplements every quarter, the scheme is in its subscribers' best interests. A change of

According to Mr. Goldman, government could all too easily some of his staff following the redundancy crisis of a few years ago. But even his sternest critics have to admit that he has kept the association not only solvent but also profitable, enabling constant expansion of its activities. The underlying philosophy is clear: the association has to be efficiently run and profitable if it is to survive

And it is not generally recognised that while the association has almost 600,000 subscribers, it has little more than 2,000 actual members who are entitled to vote at annual meetings. It only requires three years' continuous subscription envisaged by Mr. Michael Shanks, chairman of the National Consumer Council, only one subscriber in every 300 bothers. Would the association, with the bulk of its members not being part of a political party, be able to stay independent? This would involve the association being part of a federal organisation with a direct stake in national debates over economic and social issues, similar to the role achieved by the CBI in Brussels.

But the association is less willing to be drawn into a directly more political role as envisaged by Mr. Michael Shanks, chairman of the National Consumer Council. This would involve the association being part of a federal organisation with a direct stake in national debates over economic and social issues, similar to the role achieved by the CBI in Brussels.

Such a commercially oriented philosophy, however, has led the association to adopt extremely vigorous marketing techniques somewhat akin to those of the Readers' Digest form of direct mail advertising.

Last year the association spent the role achieved by the CBI in Brussels.

But the association is less willing to be drawn into a directly more political role as envisaged by Mr. Michael Shanks, chairman of the National Consumer Council. This would involve the association being part of a federal organisation with a direct stake in national debates over economic and social issues, similar to the role achieved by the CBI in Brussels.

under UN auspices. Western aid donors start two-day talks in Brussels on Zaire rescue plan.

**FRIDAY** Mrs. Margaret Thatcher addresses Conservative Party conference in Brighton. Lord Chichester addresses Magistrate Association annual meeting. Guideline BSC/BISPA September statement for mid-September.

**WEDNESDAY** Conservative Party conference continues at Brighton. Mr. Edward Heath at Conference Youth Forum. TUC Economic Committee meets. Sir Barrie Heath, SMIT president, statement on Motor Show.

**THURSDAY** Egypt and Israel current account and overseas trade figures.

## Economic Diary

SUNDAY—Hesse provincial elections considered an important indicator of political mood in West Germany.

**MONDAY**—National Economic Development Council meeting. London, British Oxygen price talks for working parents. British Overseas Trade Board statement on selling to Japan. China's Foreign Minister, Huang Hua, arrives in London for four days of talks. Chancellor Helmut Schmidt of West Germany starts EEC Justice Ministers' meeting in Luxembourg. Department of Industry publishes September provisional wholesale price index numbers.

**TUESDAY**—Conservative Party annual conference starts in Brighton. Fire Brigade Union statement on Motor Show.

**Wednesday**—Building Societies receipts and loans for September. Central Statistical Office publishes August provisional index of industrial production, and the September balance of payments statement.

**Thursday**—Egypt and Israel current account and overseas trade figures.

# TARGET PACIFIC

INTRODUCTORY  
OFFER  
CLOSING  
13-10-78

## A growth area with outstanding potential

Target announces a new fund to invest in the shares of companies operating in the Far East. This fund will be suitable for investors wishing to diversify their capital to cover countries such as Japan, Australia, Hong Kong, Singapore and Malaysia.

### Outstanding Investment Potential

Target believes the Far East and Pacific to be an area where great economic expansion is likely to take place over the next few years.

The major countries in this area enjoy increasing productivity, relatively low rates of inflation and firm currencies. China's increasing trading with the West should benefit HONG KONG, her major port, and JAPAN who is China's closest supplier of goods and technology. The momentum of MALAYSIA'S expanding economy continues largely through her wide range of minerals and raw materials. AUSTRALIA'S vast mineral resources are again attracting renewed investor interest as the economic and political problems are being resolved. And finally, SINGAPORE, a huge trading centre, is one of the most industrious and dynamic countries in the world.

**Capital Protection Through Portfolio Spread**

Overall Target feels that the Pacific is an area in which investors should have an interest. There exists no easier nor more efficient way of doing so than through a unit trust like Target Pacific Fund with its inherent wide spread of investments which the individual investor of modest means could not achieve himself.

The investments will be chosen from the wide range of sound companies operating in the Pacific for their growth potential. To reduce the effect of the fluctuations in the investment currency premium, a multi-currency loan facility of US \$1 million and backed by sterling deposits has been arranged.

### Successful Investment Management

A specialist fund like the Pacific Fund demands specialist local knowledge which the investment managers, Dawney, Day & Co., Limited, have wide experience in obtaining from their many world wide contacts. The performance of Target's specialist U.K. and overseas funds over the past year is probably the best recommendation to you of Target Pacific Fund.

**Target American Eagle** ... 3rd in a field of 18 American funds

**Target Investment Trust** ... top performer in this sector

**Target Commodity** ... 4th in a field of 9 commodity funds

**Source—Money Management and Unitholder—September 1978**

**Your Capital And Income Return**

The major consideration of the investment managers is to seek to maximise the capital return, income being of secondary importance. In order to help achieve this aim we are offering reinvestment units whereby the income is ploughed back into capital to increase the value of the unit. You can, however, have income distributed if you apply for income units.

Your investment should be regarded as long term.

### Share Exchange Scheme

Target's simple and cost saving scheme allows you to exchange your shares for units on advantageous terms. Details on request.

### Units Are Easy To Buy

Simply complete the application and send it to us with your cheque (minimum investment £300) before 13th October, 1978 to obtain reinvestment units at 33.0p or income units at 29.6p xd (minimum £300).

Current estimated gross annual yield—0.73%.

Remember the price of units and the income from them can go down as well as up.

**OFFER CLOSING 13th OCTOBER 1978**

**TARGET TRUST MANAGERS LIMITED (Dept. T.O.)**  
Target House, Gatehouse Road, Aylesbury, Bucks, HP19 3EB.

FT 7/10'

**I/We wish to invest £** in Reinvestment units at 33.0p or Income units at 29.6p xd (minimum £300) of Target Pacific Fund and enclose a cheque made payable to Target Trust Managers Ltd.

**Delete whichever is not applicable.**

**I/We declare that I/We are not resident outside the Scheduled Territories and I am/we are not acquiring units as the nominee(s) of any person(s) resident outside these Territories. This offer is not available to residents of the Republic of Ireland.**

**Signature(s)**

**If there are joint applicants all must sign and attach names and addresses separately.**

**PLEASE WRITE IN BLOCK LETTERS — THE CERTIFICATE WILL BE PREPARED FROM THIS FORM.**

**Names in full (Mr Mrs Miss)**

**Address**

**Please let me have details of Target's Share Exchange Scheme □ Timed Investment Scheme □ Monthly Savings Scheme □ Do you already hold Target units YES/NO.**

**Target Trust Managers Limited Reg. No. 847564 at Gatehouse Road, Aylesbury, Bucks, HP19 3EB.**

**Target Pacific Fund Total Funds Under Management £120,000,000.**

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# SUMMARY OF THE WEEK'S COMPANY NEWS

## Take-over bids and mergers

Two British timber groups, International Timber and Bambergers, are planning to merge in an agreed deal worth £7.8m. International Timber is bidding three of its shares plus 170p cash every seven Bambergers' shares. The price caused some surprise in the City as speculators had been expecting a somewhat higher offer. Bambergers' shares fell sharply to 77p having closed 92p ahead of the bid announcement. Directors of Bambergers are supporting the bid and have pledged acceptances of their 10.6 per cent shareholdings.

Carrington Viyella, one of the main contenders in the take-over battle for Compton Sons and Webb, has withdrawn its bid which valued the company at around £10m. This leaves just one bid on the table—the cash and shares bid from Courtaulds. Both values the uniform manufacturer at around £12m. However, Courtaulds may not have the field to itself for very long, owing an announcement from Compton that the company had sived another bid approach.

Terms have been agreed for the acquisition by Thomson of all the remaining shares of EC (Holdings) not already owned. The offer is 40p a share.

Garnar Scotchland is making an agreed £340,000 cash and cash bid for A. T. Kingswood, a public unquoted manufacturer and dealing in exotic leathers. The deal will ease the range of specialised light leather goods which Garnar is making marketing and distribution more effective.

British Petroleum and Veba, West Germany's biggest energy concern, are appealing to Count Otto Lambsdorff, the West German Economics Minister, to overrule the decision by the Federal Cartel Office blocking Deutsche BP's DM 800m (£210m) for most of Veba's Gelsenkirchen subsidiary.

Redland has agreed to buy Automated Building Components, Miami, Florida, U.S., for about \$26.2m. Agreement in principle was announced in June but now firm contracts have been exchanged and the deal will become effective on January 3.

Unilever has sold the major part of its 31 per cent stake in Ellis and Everard—acquired during an abortive bid in 1973—to ICI in a £2.2m cash deal. ICI has bought the stake in Ellis and Everard in order to replace a 30 per cent holding in Everard's chemicals subsidiary which ICI is selling back to the parent group for £1.4m.

Hoskins and Horton has rejected a takeover approach from the Tulips Group because the former can see no commercial logic in the proposal.

Hostess has rejected a take-over approach from the Tulips Group because the former can see no commercial logic in the proposal.

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**CLIVE INVESTMENTS LIMITED**  
1 Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101  
Index Guide as at September 26, 1978 (Base 100 at 141.77)  
Clive Fixed Interest Capital ..... 129.76  
Clive Fixed Interest Income ..... 143.1

**JEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.**  
45 Cornhill, London EC3V 3PB. Tel.: 01-623 6314  
Index Guide as at October 6, 1978  
Capital Fixed Interest Portfolio ..... 100.00  
Income Fixed Interest Portfolio ..... 100.00

Francis Parker Limited announce their results for the six months ended to 30th June, 1978.

	6 months ended 30.6.78	3 months ended 31.12.77 (unaudited)
£'000	£'000	
Group Turnover	8,467	15,375
Profit before interest and taxation	825	1,264
Interest	590	1,230
Group profit before taxation	135	54
Taxation (charge) credit	(43)	65
Group profit after taxation for period	122	87

These results are in accordance with the indications given in Chairman's statement of 9th June, 1978. The lower interest rates reflect the further reduction in group borrowings achieved in the last period.

The Directors have decided not to recommend the payment of an interim dividend as they feel it is still necessary to retain maximum funds within the group.

**FRANCIS PARKER LIMITED**  
Head Office: Francis House, Shopwicks Road, Chichester, Sussex.

## African Lakes to do better

From turnover of £3.27m against £2.03m profits before tax of the African Lakes Corporation were £273,415 to £443,576 in the half year ended January 31, 1978.

But the directors say that with an upswing in trading in the second half, it appears likely that the year's results will not be substantially less than those for the preceding year when pre-tax profits were £1.25m.

The directors say the main reasons for the lower first half profits were that: the rate of exchange was unfavourable due to the improvement in the value of sterling.

The tea crop was slightly down due to adverse climatic conditions and prices were substantially reduced while Ampro Motors' profit was less due to the disruption of supplies to Ethiopia. The situation has since improved.

**Over £113,000 for Oceana Consolidated**

Total profit ahead from £90,510 in a record £13,034 is shown by Oceana Consolidated for the year to March 31, 1978, on gross revenue of £126,987, against £104,347.

Tax took £37,739 (£37,503), leaving a net balance of £75,295 (£53,308) for earnings per 25p share of 3.68p (2.88p). The net dividend is raised to 8.7444p, the maximum permitted.

At half-time, when the surplus was up at £68,395 (£51,079), the directors said they expected the results for the second half to be roughly in line with the second six month of 1976-77.

The Directors have decided not to recommend the payment of an interim dividend as they feel it is still necessary to retain maximum funds within the group.

**KEAN & SCOTT**  
**£18,042 loss**

Kean and Scott, furniture retailer and manufacturer, incurred a pre-tax loss of £18,042 for the year to March 31, 1978, compared with profits of £59,429 last time. Turnover was down from £484,888 to £388,001.

After tax of £1,963, against £13,504, loss came out at £19,905.

At half-time, when the surplus was up at £68,395 (£51,079), the directors said they expected the results for the second half to be roughly in line with the second six month of 1976-77.

The Directors have decided not to recommend the payment of an interim dividend as they feel it is still necessary to retain maximum funds within the group.

**FRANCIS PARKER LIMITED**  
Head Office: Francis House, Shopwicks Road, Chichester, Sussex.

## Cape Industries

### Interim Report 1978

- \* Turnover increased by 13%.
- \* Group pre-tax profit down 16% due to weak demand for fibre worldwide and friction materials in the U.K.
- \* Building and Insulation Division's profit up 57%.

	Half-year ended 30th June	Year ended 31st Dec.
	1978 £m	1977 £m
Turnover	87.4	77.2
Profit before interest and taxation	7.0	7.4
Profit before taxation	5.6	6.7
Profit after taxation	4.8	5.5
Earnings per ordinary share	20.0p	23.0p
Dividends per ordinary share	3.2752p*	2.9044p
	8.2064p	

\* Includes special interim of 0.0804p relating to 1977.

**Cape Industries Limited, 114 Park Street, London W1Y 4AB**  
Building and Automotive Products, Insulation Contracting, Mining

## PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£'000)	Earnings* per share (p)	Dividends* per share (p)
Armstrong Equip't	July 2	8,667 (6,262)	8.7 (6.5)	2,263 (2,027)
Asian Frontier	Dec. 31	2,360 (4,293)	51.4 (10.8)	12.1 (—)
Bevan Group	July 1	2,089 (2,140)	7.6 (7.9)	1,621 (1,452)
Bryant Holdings	May 31	42 (2,860)	— (4.8)	3,765 (3,424)
Cope Alumina	July 1	9,180 (9,969)	14.6 (17.8)	3,502 (3,196)
EMI	June 30	26,000 (6,700)	7.1 (25.7)	9.38 (0.24)
Grimsdale Hldgs.	Apr. 30	29 (301)	24 (—)	NIL (NIL)
Harrison's Malaya	Mar. 31	24,000 (24,300)	6.7 (16.9)	4.0 (3.5)
Ingal Inds.	June 30	347 (255)	31 (2.7)	1.87 (1.71)
Lyles (S.J.)	June 30	323 (744)	6.4 (16.8)	4,058 (4,468)
MacAllen-Glen	July 31	402 (362)	19.2 (14.4)	5,137 (4,656)
Ramer Textiles	Apr. 25	206 (275)	1.4 (1.6)	0.302 (0.211)
Sage Holdings	June 30	1,005 (1,210)	16.6 (13.2)	4.5 (—)
Sanderson Murray	June 30	149 (147)	9.3 (10.1)	3,465 (3,103)
Whitehouse Eng.	July 1	222 (179)	15.7 (11.1)	2,329 (2,086)

## INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£'000)	Interim dividends per share (p)
Avery's	June 30	6,700 (6,360)	2,152 (1,927)
Benton Clark	June 30	1,450 (1,190)	2,12 (2,01)
Beauford Group	June 30	259 (233)	1.2 (1.0)
Bimini Pools	June 30	6,701 (6,016)	3,182 (2,86)
Cape Inds.	June 30	5,633 (6,728)	3,195 (3,004)
Clive Discount	Sept. 30	2,120 (1,320)	2,03 (2.0)
Currys	July 26	3,810 (3,250)	1,069 (NIL)
Exploration Co.	June 30	275 (207)	NIL (NIL)
FC Finance	June 30	940 (409)	1.01 (1.01)
Finnair (John)	June 30	242 (246)	1,275 (1,029)
Flitney Pack	June 30	1,023 (1,020)	3.1 (2.0)
Heaton Carter	July 28	1,550 (1,250)	1,956 (1,166)
Hill's & Hill	Sept. 9	408 (205)	2,356 (1,156)
Hilf's Footwear	July 21	1,060 (1,050)	2.5 (2.5)
Holt Lloyd	June 30	21 (22)	NIL (NIL)
Jaob (W. and R.)	July 14	314 (342)	1.2 (0.812)
Lai (Percy) Gr.	June 30	313 (683)	1.23 (1.2)
LASMO	June 30	5,390 (5,400)	NIL (NIL)
Marshall Cavendish News Int'l.	June 30	574 (1,200)	1.24 (1.32)
Metkeware Group	July 2	3,500 (3,500)	2,228 (1,985)
Sanderson Raynor	June 30	559 (559)	4.7 (4.7)
Sandie Hides	June 30	31,500 (18,500)	1.87 (1.87)
Smart (Jeffers)	July 31	8,943 (8,829)	2,812 (2,475)
Warne Wright	June 30	674 (636)	1.47 (1.32)
Wills (Geo.)	June 30	303 (443)	0.921 (0.825)
Wistaham Bronze	June 30	925 (646)	3.57 (3.55)

(Figures in parentheses are for corresponding period.)

\* Dividends shown net except where otherwise stated.

\* Adjusted for any intervening scrip issue. + Including special dividend due to change in tax rate. £ Net. \$ Gross. t Loss.

## Offers for sale, placings and introductions

Agricultural Mortgage Corporation: Issue of £2m 10% per cent Bonds dated October 12, 1979, at par.

Sears Roebuck: London listing of common stock.

## Scrip Issues

Bevan Group: One cumulative preference for 20 ordinary.

Guinness Peat: One for one ordinary.

Wolstenholme Bronze: One-for-one.

The charge for tax in the 1978 six months includes £584,833 in respect of Elbar Industrial. Current and deferred taxation will be reviewed when presenting the accounts of that company for the full year.



## INTERNATIONAL FINANCIAL AND COMPANY NEWS

Hong Kong exchanges proposal rejected

By Anthony Rowley

HONG KONG, Oct. 6. The Official Securities Commission here has rejected a proposal from the Federation of Stock Exchanges that afternoon trading on the Colony's four stock exchanges be abandoned.

Moves towards limiting trad-

ing to morning sessions only come from the broking community, which is currently indicated with paper work (proposing scrip deliveries) because the high levels of turnover in the stock market.

Although the Hang Seng index, currently standing at just 600 is at about one-third of the level reached in the 273 boom, the levels of daily turnover being attained are roughly equal to that now. The proposal to limit trading mornings was adopted unanimously at the Federation's September 21 meeting on the recommendation of Mr. Ronald Lirman of the Far East Stock Exchange.

The Securities Commissioner, Uwein McLennan, declined to cite reasons why the proposal which would have meant a 45-minute extension of morning trading has been rejected. A spokesman for the Stock Exchange Federation said the latter would go back to them for consideration.

Opponents of the reduced trading hours argued that it would merely affect the link-up between stock market trading here and other principal stock exchanges in Asia and in Europe that it would lead to a significant reduction in turnover.

**The First Viking Commodity Trusts**

**Commodity OFFER 59.2**  
**last BID 37.2**

**Tablet OFFER 70.0**  
**Commodity Trust BID 66.0**

Commodity & General Management Co Ltd  
8 St George's Street  
Douglas Isle of Man  
Tel: 0624 4882

## Dutch builder forecasts major profits advance

BY CHARLES BATCHELOR

**STRIKING INCREASES** in sales and profits are forecast for 1978 by the Dutch construction company, Ballast-Nedam.

In its interim statement, the company said it expected net profit to rise by 30 per cent to around F1.24m, or \$11.6m, according to plan. Profits and the Middle East, the company year while turnover is expected to increase by 42 per cent to F1.7bn, some \$825m.

No details of results in the first half of the year were given, but profits per share were estimated to be around F1.50 for 1978 against F1.38 in 1977.

The construction and housing divisions lived up to the positive expectations though. The company's order book is currently around F1.48bn compared with F1.55bn at the start of the year.

share outstanding. In a review of progress to 1978 the company said its F1.47bn housing project in Saudi Arabia—the largest ever won by a Dutch construction group—was progressing reasonably well, though heavily weighted towards the dredging division. The company views the future with confidence.

Two other Dutch construction groups, Stevin and Adrian Volker, have reached complete agreement on their planned merger. The joint statement confirmed the bid conditions announced at the beginning of September. The new holding company will offer 11 shares and one share for each Volker share and one share for each Stevin share.

## Industry in Holland earns less

BY OUR OWN CORRESPONDENT

QUOTED DUTCH companies in the industrial, trading and transport sectors saw net profits fall by 7 per cent in 1977 on turnover 6 per cent higher than the year before. The fall in trading profit was nearly 11 per cent, but this was partly made up for by higher earnings on minority holdings and a lower tax charge.

These figures are contained in a Central Statistics Office survey of 157 Dutch companies quoted on the Amsterdam Stock Exchange. Only the Dutch element of transnational companies such as Royal Dutch Shell, Esso and Unilever are included. The banking, insurance and investment sectors do not form part of the survey. The companies covered made a combined net profit of F1.52bn (2.5bn) on sales of F1.98bn (94bn) in the last full business year.

The most successful sector comprised the 40 trading companies which increased net profit by 15 per cent on a 14 per cent rise in sales. The five "internationals" saw profits fall by nearly 7 per cent on 5 per cent

higher sales, while shipping and to the year before. Fixed asset airline companies' net profits fell investment rose by 13 per cent to 15 per cent on 2 per cent higher to F1.59bn after falling by one per cent in 1976. These figures are distorted, however, by currency fluctuations, allowing for this fixed asset investment rose. F1.75m in 1977 compared and stock dividends rose by 5.5 per cent to F1.24bn.

Invested funds rose by 8 per cent to F1.62bn compared with an increase of only 3.5 per cent 32 per cent in 1976.

## Heavier BP France loss

BY OUR FINANCIAL STAFF

A SHARPLY increased loss is failed to pay a dividend. Last month the company announced a FFr 280m rights issue. At the time the parent company, British Petroleum, said if necessary it would take up the full offer.

For the whole of 1977 the company turned in a loss of FFr 132m largely as a result of price controls and a decline in consumption in the French market.

For the fourth year running the company again

failed to pay a dividend. Last month the company announced a FFr 280m rights issue. At the time the parent company, British Petroleum, said if necessary it would take up the full offer.

The First Arabian offer would mean rehabilitation of the Newfoundland refinery. It is reported to have been made through the Toronto offices of the Receiver, Peat Marwick and Co., to the first mortgage holder, the U.K. Export Credits Guarantee Department, and secured creditors, bankers Kleinwort Benson, and the Newfoundland Government.

The refinery, built by the Shabean Interests of New York, was declared bankrupt two years ago and debts were estimated at C\$600m.

At the time of the bankruptcy assets were shown at around C\$400m. It is believed the First Arabian offer is in the form of a letter of intent and the secured creditors would have 45 days to consider the terms. It would involve extensive refinancing of the operation; repair and rehabilitation, oil industry sources said, could cost between C\$25m and C\$50m and would take at least one year.

A proposal to take over the refinery by the UK Ultramar group was rejected earlier this year. The Newfoundland government objected to suggestions it should be used for oil storage and transhipment for an initial period.

SOCIETE SKI Rossignol, a leading French manufacturer of skis, has acquired the equity of Acro Inc., of Boston, Massachusetts, makers of aluminium tennis rackets. Terms were not disclosed.

The operation, through its American subsidiary, Rossignol Ski Company, is the second acquisition in the U.S. in the field of tennis rackets.

With the latest acquisition,

Ski Rossignol has an annual capacity of 1m tennis rackets, over 80 per cent of which are made in the U.S.

• Societe Generale, the major French nationalised bank and Thomas Cook are to jointly issue travellers cheques denominated in French francs, beginning next Monday. The travellers cheques will be negotiable in 145 countries.

WARDGATE COMMODITY FUND

as 29th Sept. 1978. £10.44, £10.87

WCF MANAGERS LIMITED

P.O. Box 72

St. Helier, Jersey - 0334 20591/3

Next dealing 31st October, 1978

Arab bid for Canadian refinery

By Robert Gibbons

AMSTERDAM, Oct. 6.

MONTRÉAL, Oct. 6.

FIRST Arabian Corporation, a Luxembourg-registered company controlled by Middle East interests, has now made a formal takeover proposal to the first mortgage holder and other secured creditors of the 100,000 barrels daily Come-by-Chance oil refinery in Newfoundland.

Details of the deal remain secret. First Arabian became interested in the mothballed refinery in mid-1977 and this summer put in a preliminary bid. First Arabian is the group reported to be negotiating to take over the Puerto Rican refinery of the troubled Commonwealth Oil Refining Company in the U.S.

The chairman is Mr. Roger E. Tamraz, 40-year-old Harvard-trained Lebanese investment banker. First Arabian controls the Commonwealth Bank of Detroit and has been described as a syndicate of wealthy Kuwaiti and Saudi investors. Saudi financier Ghaffar Pharaon sold his interest earlier this year.

The First Arabian offer would mean rehabilitation of the Newfoundland refinery. It is reported to have been made through the Toronto offices of the Receiver, Peat Marwick and Co., to the first mortgage holder, the U.K. Export Credits Guarantee Department, and secured creditors, bankers Kleinwort Benson, and the Newfoundland Government.

The refinery, built by the Shabean Interests of New York, was declared bankrupt two years ago and debts were estimated at C\$600m.

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A proposal to take over the refinery by the UK Ultramar group was rejected earlier this year. The Newfoundland government objected to suggestions it should be used for oil storage and transhipment for an initial period.

No further details were given but a representative of Morgan Grenfell, the advisers to Brooke

Reserves shown by CBCS Sydney

BY JAMES FORTH

AMSTERDAM, Oct. 6.

THE COMMERCIAL Banking made up of A\$16.7m in contingency reserves, A\$9.2m in provision for long service leave, A\$4.3m for staff benefits and a A\$1.3m provision for self insurance risk. Sir Robert said that undisclosed reserves had been maintained at an appropriate level in the past having regard to the capital base.

The CBCS is the second bank to disclose its "inner reserves" since the treasurer, Mr. Howard announced last month that the banks would in future be required to provide more information.

The CBCS would not be obliged to disclose these reserves until it reported on results for the six months to December, 1978, but the Government-owned Commonwealth Banking Corporation has a solid recovery on the profit of A\$619,000 recorded in 1976-77.

The major reason for the set-back last year was a heavy loss made by the finance company, CAGA, with the CBCS now owning 51 per cent. The CBCS share of CAGA's deficit con-

This was larger than generally expected and resulted in bank shares moving up in market. At the CBCS annual meeting today the chairman, Sir Robert Crichton-Brown, said that the additional information should be given to prevent any misunderstanding and to prevent speculation.

The hidden reserves were traced from A\$5.7m to A\$3.63m.

Chemicals plan by U.S. Steel

By Stewart Fleming

NEW YORK, Oct. 6. U.S. STEEL, the company which dominates the U.S. steel industry, is in an advanced stage of negotiating a major diversification into the chemical industry.

The company is discussing with an unnamed partner an investment of \$500m in a new ethylene producing facility. Ethylene is the basic building block for several plastic products including polyethylene, styrene, and polyvinyl chloride.

U.S. Steel already has a significant commitment to the chemical industry, with assets in its chemical division of around \$550m. It is assumed that its negotiations for a major expansion of the division are with a leading oil company, since this would ensure the company of feedstock supplies.

U.S. Steel accounts for about one quarter of U.S. domestic raw steel production. About three-quarters of its annual sales revenues of \$9.6bn come from steel. But the steel industry has been subject to violent swings in profitability and also in some of its major markets, such as the automobile industry, to intensify competition from other materials, including plastics.

An investment in petrochemicals would therefore be seen as a diversifying move, a business related to its existing markets and into a product which has greater growth potential than steel.

At present, however, ethylene capacity in the world is running ahead of supply. The company must hope however that if it does make the investment, then by the time the plant comes on stream the growth of the market will have soaked up the excess capacity.

The company says that the investment it is considering is a plant that produces 1bn tons of ethylene a year.

## Swiss bank taxes

ACCORDING TO a spokesman of the Swiss Finance Ministry, the Government is not yet ready to present recommendations on possible new taxes for banking operations to a consultative committee of the Swiss council of state. John P. Wicks from Zurich. No details are available on what these taxes might be, since the committee will decide on whether they should be published at this stage.

## Bushells in bid talks

BY OUR OWN CORRESPONDENT SYDNEY, Oct. 6.

THE REJECTION last month by Brooke Bond of the UK group was still interested in pursuing its bid.

A new package was being worked on which it was hoped would be acceptable to the Foreign Investment Review Board.

The only reason given for the rejection of Brooke Bond's original offer was that it was not in the national interest. The price was unlikely to be as attractive as the offer of A\$5.563 a share was regarded as most

quarters as very attractive. It is suggested that one stumbling block was that the Government wanted to see a substantial local equity retained. Brooke Bond has reportedly agreed to allowing some local equity but would not specify a timetable.

Presumably the new package would focus upon these aspects.

Brooke Bond may not be the only party holding talks as it is widely rumoured that at least one major Australian group is also showing interest in making a bid.

## SBC opens in Panama

SWISS BANK CORPORATION, of Basle, has established a subsidiary company in Panama with the title of Sociedad de Banca Suiza (Panama) SA, writes John Wicks from Zurich.

Activities will centre on links

with commercial clients, especially multi-national concerns, in Panama and the canal zone. The new subsidiary augments the services already provided by Swiss Bank Corporation (Overseas) SA, of Panama, and a representative office there which maintains contacts with Central America.

## I.G. Index Limited 01-351 3466. Three months Aluminium 583.5-589.2

29 Lamont Road, London SW10 0HS

1. Tax-free trading on commodity futures.

2. The commodity futures market for the smaller investor.

## U.S. Markets

Metals and grain ease: sugar firm

NY, Oct. 6.

PRECIOUS METALS closed lower on aggressive speculative profit-taking prior to the weekend. The dollar, a weaker dollar in foreign exchange markets, rose sharply over the week, with gains up to 200 points on the day, delivery, forward and spot rates. Gold, silver and platinum all closed lower.

Copper closed lower on renewed trade buying, despite expectations of a large increase in Latin American output. House buying and trade price fixing over the weekend. Some panic action on the domestic sugar market.

Cacao—Dec. 167.45 (167.30), May 166.35 (166.20), July 165.70 (165.50). March 165.20 (165.00).

Gold—Oct. 126.00 (125.80), Dec. 125.80 (125.60), Feb. 125.40 (125.20), April 125.20 (125.00), June 124.80 (124.60), August 124.40 (124.20), October 124.00 (123.80), December 123.60 (123.40), February 123.20 (123.00), April 122.80 (122.60), June 122.40 (122.20), August 122.00 (121.80), October 121.60 (121.40), December 121.20 (121.00), February 120.80 (120.60), April 120.40 (120.20), June 119.80 (119.60), August 119.40 (119.20), October 119.00 (118.80), December 118.60 (118.40), February 118.20 (118.00), April 117.80 (117.60), June 117.40 (117.20), August 117.00 (116.80), October 116.60 (116.40), December 116.20 (116.00), February 115.80 (115.60), April 115.40 (115.20), June 115.00 (114.80), August 114.60 (114.40), October 114.20 (114.00), December 113.80 (113.60), February 113.40 (113.20), April 113.00 (112.80), June 112.60 (112.40), August 112.20 (112.00), October 111.80 (111.60), December 111.40 (111.20), February 111.00 (110.80), April 110.60 (110.40), June 110.20 (110.00), August 109.80 (109.60), October 109.40 (109.20), December 109.00 (108.80), February 108.60 (108.40), April 108.20 (108.00), June 107.80 (107.60), August 107.40 (107.20), October 107.00 (106.80), December 106.60 (106.40), February 106.2







# AUTHORISED UNIT TRUSTS

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# OFFSHORE AND OVERSEAS FUNDS

[View all posts by \*\*John\*\*](#) [View all posts in \*\*Uncategorized\*\*](#)

#### Growth

Address shown on

### Table.

10. The following table shows the number of hours worked by each employee.



## FT SHARE INFORMATION SERVICE

## BONDS &amp; RAILS - Cont.

## BANKS &amp; HP - Continued

## CHEMICALS, PLASTICS - Cont.

## ENGINEERING - Continued

## BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Treasury 11-12% 1983

Treasury 10-11% 1982

Treasury 9-10% 1981

Treasury 8-9% 1980

Treasury 7-8% 1979

Treasury 6-7% 1978

Treasury 5-6% 1977

Treasury 4-5% 1976

Treasury 3-4% 1975

Treasury 2-3% 1974

Treasury 1-2% 1973

Treasury 11-12% 1972

Treasury 10-11% 1971

Treasury 9-10% 1970

Treasury 8-9% 1969

Treasury 7-8% 1968

Treasury 6-7% 1967

Treasury 5-6% 1966

Treasury 4-5% 1965

Treasury 3-4% 1964

Treasury 2-3% 1963

Treasury 1-2% 1962

Treasury 11-12% 1961

Treasury 10-11% 1960

Treasury 9-10% 1959

Treasury 8-9% 1958

Treasury 7-8% 1957

Treasury 6-7% 1956

Treasury 5-6% 1955

Treasury 4-5% 1954

Treasury 3-4% 1953

Treasury 2-3% 1952

Treasury 1-2% 1951

Treasury 11-12% 1950

Treasury 10-11% 1949

Treasury 9-10% 1948

Treasury 8-9% 1947

Treasury 7-8% 1946

Treasury 6-7% 1945

Treasury 5-6% 1944

Treasury 4-5% 1943

Treasury 3-4% 1942

Treasury 2-3% 1941

Treasury 1-2% 1940

Treasury 11-12% 1939

Treasury 10-11% 1938

Treasury 9-10% 1937

Treasury 8-9% 1936

Treasury 7-8% 1935

Treasury 6-7% 1934

Treasury 5-6% 1933

Treasury 4-5% 1932

Treasury 3-4% 1931

Treasury 2-3% 1930

Treasury 1-2% 1929

Treasury 11-12% 1928

Treasury 10-11% 1927

Treasury 9-10% 1926

Treasury 8-9% 1925

Treasury 7-8% 1924

Treasury 6-7% 1923

Treasury 5-6% 1922

Treasury 4-5% 1921

Treasury 3-4% 1920

Treasury 2-3% 1919

Treasury 1-2% 1918

Treasury 11-12% 1917

Treasury 10-11% 1916

Treasury 9-10% 1915

Treasury 8-9% 1914

Treasury 7-8% 1913

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Treasury 4-5% 1910

Treasury 3-4% 1909

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Treasury 4-5% 1821

Treasury 3-4% 1820

Treasury 2-3% 1819

Treasury 1-2% 1818

Treasury 11-12% 1817

Treasury 10-11% 1816





# FINANCIAL TIMES

Saturday October 7 1978

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## MAN OF THE WEEK

### Agony of a nuclear conscience

BY WILLIAM DULLFORCE

"YOU CANNOT go on compromising until you have lost your soul. This was how Sweden's Prime Minister Mr. Thorbjorn Falldin explained his resignation to a shattered Parliament on Thursday evening. It sums up a man who may go down in history as the anti-Socialist who because of his conscience missed the opportunity to stem the tide of socialism in Sweden."

Ever since he came to power in 1976 as leader of the three-party coalition which unseated the Social Democrats for the first time in 44 years Mr. Falldin has been torn between his personal conviction that nuclear power was unsafe and his political duty to consolidate the non-Socialists' election victory. On Thursday he sought relief from his agony.

One first acquaintance Mr. Falldin is not the kind of man prone to such wrestlings of the soul. A big, slightly unkempt, bluff farmer, he appears to be safely buttressed by his belief in the old-fashioned virtues of work, family, church and country.

He emerged on the Swedish political scene as the antithesis of Mr. Olof Palme, the sophisticated urban intellectual chosen



**Thorbjorn Falldin**  
Sincerity and goodness  
came across

by Mr. Tage Erlander, Sweden's long-term Prime Minister, to run the Social Democratic Party and the Government. Mr. Palme is a political animal, brilliant in debate. Mr. Falldin tummies for words before the television cameras but the sincerity and goodness of the man come across.

He was thus a suitable focus for many Swedes' reaction against the increasing collectivism of their society. But in the early 1970s the environmental movement was also making a strong impact on Swedish public opinion and it was largely by offering a platform to the environmentalists that Mr. Falldin's Centre Party gained electoral support and displaced the Liberals as the largest anti-Socialist party.

Mr. Falldin himself was converted to the anti-nuclear movement principally by professor Hanne Alven, a Nobel science prize winner, who works very closely with Amélie, an anti-nuclear scientist. It is this dual role anti-nuclear crusader and anti-Socialist leader that Mr. Falldin has not been able to sustain. In the 1976 election campaign he promised to "halt Sweden's march into the nuclear society," a call which may have gathered enough last-minute votes to beat the Social Democrats. But the other non-Socialist parties, the Liberals and Moderates (Conservatives), are pro-nuclear.

Mr. Falldin made his first compromise by letting the sixth power station come into operation but in return he got agreement for a thorough review of Sweden's energy alternatives and a law compelling the power companies to come up with uncontrollable methods for storing radioactive nuclear waste before they could activate any further reactors.

For Mr. Falldin and most Centre Party members this law spells an effective stop to further nuclear development. Not so for the Liberals. Moderates and the power companies, who believed that the conditions could be met. This difference of interpretation has bedevilled the coalition, which worked smoothly and successfully at restoring the Swedish economy, but time and again lurched to crisis to compromise over nuclear decisions. Mr. Falldin's credibility and consistency became the pivot on which Swedish politics revolved.

Mr. Falldin's agony is over for the time being. He is now free to fight unrereservedly for his anti-nuclear convictions. The latest opinion polls indicate that a majority of Swedes believe the country should continue with nuclear power. But the minority is large and, if Mr. Falldin can make nuclear power the central issue of the next election, his party may remain the second largest in the Riksdag. What he has done to the anti-Socialist cause is another matter.

### Russia urged to help ease Lebanon crisis

BY OUR FOREIGN STAFF

INTERNATIONAL EFFORTS to whose forces have been pound- ing the Christian areas of Beirut by the Palestine Liberation Organization yesterday as the Christian militia increased in the north, however.

The Security Council decided to meet after the President, M. Jacques Chirac of France, reported that his appeal had been unanswered. The Soviet Union and China are understood to have agreed that the time had come for a formal examination of the crisis.

Kuwaiti delegate Abdalla Bishara and Mr. James Leonard of the U.S. were reported to be negotiating on behalf of the Christian militia.

Meanwhile, Mr. Cyrus Vance, the U.S. Secretary of State, returned to New York to push for action in the UN Security Council, which agreed to meet to consider a further bid to end the bloodshed.

In Beirut, the fighting continued unabated after the overnight ceasefire and the separation of Syrian forces from the Christian militia. Mr. Hafez al-Assad, the Syrian President,

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